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1919 - 1947

Volume I] 1927 [Volume I

Edited by

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Introduction
by

BIPAN CHANDRA

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PRINTED IN INDIA

Published by Mrs. Gayatri Garg for Gian Publishing House,
New Delhi 110002.
Printed at Goyal Offset Works, Delhi.

**THE INDIAN
QUARTERLY REGISTER**

Jan.-June 1927.

VOL. I.

THE QUARTERLY REGISTER

Jan.—June 1927.

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Chronicle of Events.

January 1927.

- 1 Jan. '27 Baratar Jogendra Singh, Mr. Manohar Lal and Malik Farooz Khan Noon appointed Ministers by the Punjab Government.
The Industrial Congress in Calcutta—Second Day's proceedings—Mr. Birla's motion condemning the 18½ gold rates of the Currency Committee's recommendation carried.
An appeal for funds to raise an All-India Memorial of the Late Swami Shradhananda issued from Delhi under the signatures of Pandit Malaviya and others.
- 2 Jan. do. Mahatma Gandhi in Calcutta—In reply to Depressed Class Students' address the Mahatma exhorted them to follow the teachings of late Swami Shradhananda who was a great friend of the depressed classes.
- 3 Jan. do. Opening Day of the Third Reformed Legislative Council at Lahore.
Indian Economic Conference in Calcutta under the presidency of Mr. L. Tannan.
- 5 Jan. do. First All-India Women's Conference at Poona under the presidency of the Maharani of Baroda.
- 6 Jan. do. Arrival of Air Liner "Hercules" at Karachi from London with the Secretary of State for Air and party on board.
- 8 Jan. do. First Sitting of the C. P. Council—Sir S. M. Chitnavis elected president.
- 10 Jan. do. First meeting of the Third Reformed Bengal Legislative Council in Calcutta—Governor's address.
First meeting of the Third Reformed Punjab Legislative Council at Lahore.
Government of India Press Communiqué announced that the position of Indians in Australia considerably improved by the passing of amelioratory measures by the Commonwealth Parliament.
All-India Prayer in memory of Swami Shradhananda.
First meeting of the U. P. Legislative Council—Rai Bahadur Lala Sitaram re-elected president.
- 11 Jan. do. C. P. Council—motion for Ministers' Salaries passed.
The Indian Delegation leave Cape-Town to return to India after the Round Table Conference.
The Trial of Abdul Rasheed, the assassin of Swami Shradhananda, commenced at the court of Special Magistrate, Delhi.
- 12 Jan. do. The Round Table Conference completed its labours in Cape-Town.
- 13 Jan. do. First Sitting of the B & O Legislative Council—Khan Bahadur Kiwaja Mahomed Noor elected president.
- 14 Jan. do. Arrival of Mr. S. Saklatvala M. P. in Bombay.
Abdul Rasheed, the assassin of Swami Shradhananda, committed to Sessions under Section 303 of the Penal Code.
- 16 Jan. do. Government of India published three important bills embodying the Currency Commission's Recommendations.

- 17 Jan. '27 Bengal Council—Motion for Ministers' Salaries passed—Swarajist motion refusing the demand rejected.
Steel Protection Bill—Statements of objects and reasons published by the Government of India—preferential duties provided for,
Report of the Bombay Backbay Reclamation Committee published—responsibility apportioned on its promoters.
- 19 Jan. do. Opening of the Legislative Assembly in New Delhi—Mr. Patel re-elected President the next day.
- 21 Jan. do. Pt. Nehru's adjournment motion in the Assembly—Mr. S. C. Mitra's detention denounced.
- 24 Jan. do. Budget Session of the Burma Council opened by His Excellency the Governor,
Viceroy's inaugural address in opening the Legislative Assembly.
First meeting of the Madras Council—Governor's opening Address.
- 26 Jan. do. The Steel Protection Bill referred to a Select Committee.
Hindu-Muslim fracas at Patnaakhal owing to the assault on Satyagraha undertrial prisoners by a Mahomedan Jail Warder—Several persons injured, one Muslim being seriously wounded.
- 27 Jan. do. Madras Council—Mr. Satyamurti's adjournment motion disapproving the Government of India's action in sending Indian troops to China disallowed by Governor.

February 1927

- 3 Feb. '27 Burma Council—Resolution on removal of Sex-disqualification lost.
Budget cuts in 1924—26 :—Sir Basil Blacket's Statement in the Assembly.
Debate on the release of Bengal Detenus in the Assembly—Pt. Nehru's motion recommending release or trial of detenus passed.
- 7 Feb. do. Select Committee Report on the Steel Protection Bill presented to the Assembly.
- 8 Feb. do. Opening of the Council of State in New Delhi—Report of the Privileges Enquiry Committee submitted.
- 9 Feb. do. Burma Council—Members of Home Rule, Swaraj and Nationalist parties walked out in protest against the insulting reference of the Home Member to Revd. U. Ottama.
- 10 Feb. do. The International Anti-Colonial Congress at Brussels—Mr. Jawhar Lal Nehru's Statement on behalf of India,
Kumar Ganganand Sinha's motion in the Assembly urging withdrawal of Special laws in Santal Parganas carried.
B. P. C. C. requisition meeting in Calcutta—adjournment motion carried.
- 11 Feb. do. B. N. Railway Workmen's Strike at Kharagpur commenced from this day—Firing by the Railway Auxiliary Force on unarmed strikers.
Adjourned B. P. C. C. meeting in Calcutta—"No confidence" motion on the Executive carried by a narrow majority.
- 14 Feb. do. The Steel Protection Bill formally moved in the Assembly by Sir Charles Innes—discussion adjourned.
- 16 Feb. do. Bills certified in 1924—26 :—Mr. Graham's Statement in the Assembly.

- 16 Feb. '27 Adjourned debate on the Steel Bill—Mr. Mehta's motion to recommence the Bill to the Select Committee rejected.
- 16 Feb. do. First meeting of Bombay Council—Governor's opening address. Railway Budget presented in the Assembly. Adjourned debate on the Kharagpur Strike in the Assembly.
- 19 Feb. do. Heated debate in the Calcutta European Association on a resolution censuring the Y. M. C. A. on its alleged political activities which was passed. Opening of the New Burma Legislative Council—Mr. Oscar De Glanville elected President.
- 21 Feb. do. Text of the South African Agreement read in the Assembly and the Union Assembly—Anti-Asiatic Bill dropped—Reparation in a new garb—Union accepts education responsibilities of Indians. Steel Protection Bill passed in the Assembly.
- 23 Feb. do. Resolution for the release of political prisoners carried in the Bengal Council by a huge majority. Discussion on the South African Agreement in the Council of State—Members' felicitous speech.
- 25 Feb. do. Text of the provisions of the Indian Navy Bill presented to the House of Commons.
- 26 Feb. do. Annual Session of the All-India Khilafat Conference at Lucknow under the Chairmanship of Dr. Ansari.
- 28 Feb. do. Punjab Council—No-confidence motion on Ministers negatived for want of majority favouring leave being granted.

March 1927.

- 1 Mar. '27 The Steel Protection Bill passed by the Council of State. The Financial Statement for 1927-28 presented in the Assembly by Sir Basil Blackett.
- 2 Mar. do. Hindu-Muslim disturbance in Ponabalia on the Sivaratri Mela arising out of the Mohammadans taking exception to a Hindu *Sankranti* Party passing by a mosque—police opened fire on the Muhammadans to disperse them. Split in the Bengal Provincial Congress Committee—Rival factions formed owing to the Secretary, Mr. Saemal's arbitrarily closing up the Congress office—Statements from both sides issued—Mr. Srinivasa Iyengar's appeal for honourable settlement. Civil Aviation grant for ten lakhs passed in the Assembly.
- 5 Mar. do. B. & O. Council—Swarajist censure motion on Ministers defeated.
- 9 Mar. do. B. & O. Council—Minister's salaries voted. Annual meeting of the Calcutta Y. M. C. A. under the Bishop of Calcutta challenged the European Association to substantiate or withdraw their charges. Second Reading of the Indian Navy Bill passed in the House of Commons—Labour motion for rejection of the Bill defeated.
- 11 Mar. do. U. P. Council—Swarajist motion for reduction of Ministers' Salaries lost.

- 12 Mar. '27 Seventh Session of the Trade Union Congress at Delhi under the Presidency of Rai Sahib Chaudhika Perwad,
South African Indian Congress at Johannesburg opened by Revd. C. F. Andrews,
Bengal Council—Three Swarajist motions against the Ministry defeated by an overwhelming majority.
- 14 Mar. do. Punjab Council—Debate on Ministers' Salaries—reduction motion negatived,
C. P. Council—Ministers' Salaries Voted.
- 15 Mar. do. Debate in Union Assembly on the South African agreement continued up to the 19th.
- 16 Mar. do. Sir Sankaran Nair's remarkable resolution in the Council of State recommending to the Government to put off the Reforms indefinitely until the Hindu-Muslim differences were composed.
- 17 Mar. do. Party Meetings of Assembly Members at Delhi held to exchange views on the directions in which modification of the existing system of communal representation was desirable,
Rabi Sastindra Nath Sen, leader of Panchkhal Satyagraha, arrested at Barisal under Sections 107 and 114 Cr. P. Cl.
- 18 Mar. do. All India Youth Conference at Garakul, Haridwar under the Presidency of T. L. Vaswami.
- 19 Mar. do. Annual meeting of the Southern India Chamber of Commerce—Sir M. C. T. Mathia Chettiar presiding.
- 20 Mar. do. Meeting of 20 prominent Muslim leaders at Delhi after a protracted discussion agreed to the institution of joint electorates under certain conditions.
- 21 Mar. do. Madras Council—Motion of no-confidence in the Ministry negatived—Swarajists remained neutral.
Punjab Hindu Sabha passed resolution denying the Congress *locus standi* to represent Hindu community in negotiation with Muslim organisations.
Home Member's Statement in the Assembly on the release of Bengal detainees—Wholesale release detrimental to public safety.
Congress Working Committee met at Delhi and discussed the muslim proposals regarding Joint Electorate.
Mr. Moherly's Statement in the Bengal Council on the conditional release of Mr. S. C. Bose.
- 22 Mar. do. Standing Committee of the House of Commons ordered the Indian Navy Bill to be reported to the House for the third reading.
- 23 Mar. do. Hindu Members of the Assembly under Pt. Mahaviya considered the Muslim proposals and laid down principles as the basis of discussion,
Punjab Council—Motion for the release of Sikh Gurdwara Reform prisoners carried.
- 25 Mar. do. The Central Sikh League congratulated the Mahomedan leaders in agreeing to the Joint Electorate.
- 26 Mar. do. Finance Bill passed in the Council of State.
- 28 Mar. do. Madras Muslim Council Members opposed Joint Electorates as detrimental to the political advancement of the Muslim Community.
- 29 Mar. do. Madras Council—Madras University Act Amendment Bill introduced by Mr. B. Satyamurti.
Hindu-Muslim frains at Larkana (Sind) as the result of a dispute between Hindus and Mahomedans over the possession of a woman and her three children.
- 30 Mar. do. Indian Debate in the House of Lords—Lord Rickschens's survey of Indian affairs—release of Bengal detainees involve murderous outrages.
- 31 Mar. do. Annual Meeting of the Bombay Y. M. C. A. under His Excellency the Governor who dwelt on the excellent humanitarian work of the Association.

- 3 May '27 Sikh-Muslim riot in Lahore originating in some Muslims irritating and insulting a Sikh woman.
Hindu-Muslim riot at Surat while a procession with music in honour of Sivaji Tercentenary was passing by a Masjid—The City Magistrate was compelled to open fire.
- 4 May do. Rangila Rasul Case—Judgment delivered in the Lahore High Court by Justice Kanwar Dalip Singh acquitting the accused Rajpal, the publisher of the pamphlet of that name.
Failure of the Compromise move in the B. P. C. C.—matter referred to the Election Dispute Panel of the A. I. C. C.
- 7 May do. Mr. V. S. S. Sastri appointed by the Government of India as the first agent in South Africa.
- 8 May do. Division among Muslim leaders in a special meeting at Patna on the Joint Electorate—some supporting the Delhi proposals and some opposing it.
- 9 May do. Mr. Spratt of the British Labour Party in a meeting in Bombay said that India was ripe for revolution—He urged on the Youth of India to lead the Congress.
The New Asiatic Bill embodying the terms of the South African Agreement introduced in the Union Assembly.
- 13 May do. Informal Conferences in Bombay under the auspices of the A. I. C. C.—future policy and programme of the Congress as well as the communal question formed the subjects of long discussion.
Bangalore Citizens' address to Mr. Sastri on the eve of his departure to South Africa.
- 15 May do. Second Annual General meeting of the Burma Indian Chamber of Commerce held at Rangoon under the Presidency of Mr. Hussein Hamadane—Currency deflation strongly criticised.
All India Congress Committee and Working Committee meetings at Delhi continued till the 18th—Resolution on Hindu-Muslim Unity passed after a heated debate.
- 16 May do. Mr. Subash Ch. Bose released unconditionally by order of the Government of Bengal.
- 17 May do. 40th day of Kakori Prisoner's hunger strike as a protest against Jail treatment.
- 18 May do. Congress Working Committee approved of the conduct of the Congress Party in the Madras Legislative Council.
Bengal Provincial Muslim Conference at Barisal—Sir Abdur Rahim denouncing Bengal Government re. the Kalkati shooting.
- 19 May do. Lahore Riot Case commenced—8 Sikhs charged with murder and unlawful assembly
In the Lahore High Court the appeal of Abdul Raschid, the alleged murderer of Swami Shriathananda dismissed—death sentence confirmed.
Nagpur Satyagrahi's procession with drawn swords continued—daily arrests and sentence of volunteers.
- 20 May do. Manifesto issued by Mr. T. Prakasam and four others in the *National Herald* questioning the legality of the resolution of the Working Committee as regards the Madras Swrajists and declaring it *ultra vires*.
- 23 May do. Joint meeting of the Indian community in Cape Town passed resolution offering Mr. Sastri their whole-hearted welcome.
- 24 May do. All Bengal's prayer for the recovery of Mr. Subhas Ch. Bose.
Mr. Awari, Leader of the Nagpur Satyagrahi's, arrested.
- 25 May do. Annual general meeting of the Indian Mining Federation in Calcutta—Chairman's pessimistic note on coal trade.
Edinburgh Indian Association's protest against exclusion of Indians from dancing halls and restaurants.
Opening of the International Labour Conference at Geneva under the Presidency of Sir Atal Chatterjee.

June '27]

CHRONICLE OF EVENTS

7

- 26 May '27 Mahatma's views on S. C. Bose's release.—Government's cowardly act in releasing a dying man.
- 26 May do. Dr. Moonjee served with notice in Surat prohibiting him from attending or addressing any public meeting—Dr. Moonjee defied the order.
- 30 May do. Annual meeting of the Karachi W. M. C. A.—European Associations' charges refuted.
- 31 May do. Annual meeting of the Indian Communist Party at Bombay. Public meeting at Madras under the Presidency of Mr. S. Satyamurti discussed the Bombay A. I. C. C. decision and after events.

June 1927

- 1 June '27 Split in the South African Indian Congress—Traavval's final secession. Rt. Hon'ble Mr. Srinivasa Sastri left Simla, after conversations with the Viceroy, en route to South Africa.
- 2 June do. Indian Debate in the House of Commons—Earl Winterton's speech on the Bengal detenus and the Statutory Commission.
- 3 June do. Requisition signed by 39 members of the A. I. C. C. forwarded to the President of the Congress to convene special A. I. C. C. Session.
- 4 June do. Mr. Awari, leader of Nagpur Satyagraha, sentenced to four years' rigorous imprisonment.
- 5 June do. Crowded public meeting of Hindus and Mussalmans at Delhi under the presidency of Dr. Ansari who pleading for communal unity expained the significance, scope and meaning of the Bombay Pact. Mr. S. C. Bose's reply to Earl Winterton's speech denying that he and other detenus were tried before two Judges.
- 6 June do. The Cotton Textile Tariff Board's Report and the Government of India's decision thereon published—Duty and bounty recommended but Government rejected both proposals. Sind Provincial Hindu Mahasabha at a meeting accepted the principle of Joint Electorate.
- 10 June do. Serious Bakrid riot at Dinapore, Patna arising out of the slaughter of a cow by a Muhammadan.
- 11 June do. Lahore Mahomedan leader's deputation to the Governor to present their views on the "Baughia Basul" Judgment—Governor's sympathetic attitude. East Godavari Conference at Amalapuram under the Presidency of Mr. B. G. Horniman.
- 12 June do. The Servant of India Society anniversary celebration at Poona—Mr. Devadhar's Tribute to Mr. Sastri.
- 15 June do. Durbandhu Day observed throughout India with feeling reference to the sacrifices of the illustrious deceased.
- 16 June do. Satyagraha through disobedience of the Arms Act begun at Madura—Volunteers with drawn swords marching in procession through streets. Foundation stone of the Das Memorial laid in the Shalunagore Burning Ghat, Calcutta by the Mayor amidst solemn scenes. The Congress Arbitration Board's Award in the Bengal Congress Committee Dispute issued—Both Executives should cease to exist and a new Executive formed.

- 17 June '27 Debate on India Office Estimates in the House of Commons—Mr. Lansbury's reduction motion rejected.
- 20 June do. All India Mill-owners' Conference in Bombay protested against the Government of India's refusal to grant protection to the mill industry.
- 21 June do. The "Muslim Outlook" Case—Editor and Printer sentenced by the Lahore High Court on the charge of contempt of court for attacking the impartiality and honesty of Justice Dalip Singh who dealt with the "Rangila Rasul" case.
- 23 June do. Second Reading of the New Asiatic Bill passed in the Union Assembly—Dr. Malan's concession to Transvaal.
- 25 June do. Third Reading of the New Asiatic Bill passed in the Union Assembly.
- 26 June do. Fresh election in the R. P. C. O. held in pursuance of the Arbitration Board's Award—A new Executive formed.
- 27 June do. The Rangila Rasul Case—Hindu Mahasabha's telegram to the Viceroy protesting against the patronising attitude of the Punjab Governor towards the muslim deputation.
- 28 June do. Echo of the Rangila Rasul Judgment—Maulana Mahomed Ali's article in "Hamdard" demanding from Government the promulgation of an ordinance making the offence of insulting prophets, saints and other persons held sacred severely punishable.
- 30 June do. Hartal and monster meeting of Muslims at Delhi to protest against the Rangila Rasul Judgment—Judge's resignation demanded.

INDIA IN HOME POLITY

Jan.—June 1927.

PROCEEDINGS OF THE WORKING COMMITTEE OF

The Indian National Congress.

the following is a Summary of the Proceedings of Working Committee which met at Taj Mahal Hotel, Bombay, on the 15th May 1927 and the following days.

1. The minutes of the last meeting of the Committee held at Delhi on the 21st March 1927 were confirmed.

2. (a) The following accounts were passed :—

(i) A.I.C.C. Office accounts for March and April 1927 ;

(ii) Treasurer's Office accounts up to 30—4—27.

(b) The Committee considered the statement giving details of the ear-marked funds lying with the Treasurer and adopted the following resolution :—

“Resolved that the account re ear-marked funds and the purposes for which they were ear-marked be examined and that the President be asked to take necessary action thereon.”

3. The Hindu-Muslim question was then taken up. The suggestions regarding joint electorates etc. which were made by the Mussalman leaders' meeting at Delhi on the 24th March were considered and the following report and resolutions were eventually adopted by the Committee for being placed before the A.I.C.C. :—

Report.

At the forty-first session of the Indian National Congress held at Gauhati, the following resolution was unanimously passed :—

“This Congress calls upon the Working Committee to take immediate steps in consultation with Hindu and Mussalman leaders to devise measures for the removal of the present deplorable differences between Hindus and Mussalmans and submit their report to the All India Congress Committee not later than the 31st March 1928.

“And this Congress authorises the All India Congress Committee to issue necessary instructions in that behalf to all Congressmen in the country and take such other steps as it may deem fit after a consideration of the said report.”

In pursuance of this resolution, the Working Committee at its informal meeting held in Calcutta on the 1st January resolved that the President be authorised to convene a conference of Hindu and Mohammadan members of the Legislative Assembly and the Council of State in Delhi at the earliest opportunity to consider ways and means of promoting Hindu Muslim unity. The President of the Congress, before convening such a conference, put himself in communication with leading members of the Assembly and the Council of State in Delhi as well as other important Congress leaders.

The President found it more feasible to carry on separate consultation and discussion with the Hindu and Mohammadan members of the Central Legislature as a preliminary to a joint consultation and to that end, he invited Muslim members of the Central Legislature and few Hindu friends to a social gathering which was responded to very largely by them ; and there was a full and frank presentation of the point at issue on behalf of the Mohammadans by Mr. Jinnah and other members of the Assembly and members of the Council of State—based on the resolutions of the Muslim League at Delhi in December 1926.

The President of the Congress subsequently attended a gathering of members of the Assembly and other friends who represented the Hindu Bahha point of view and learnt from them the point of view of the case put forward by them. The President also visited Aligarh, Muttra and other places and acquainted himself with the views

of both communities on the important questions in dispute and after these preliminary steps, the Working Committee resolved to convene a meeting of All India Congress Committee referred to in the resolution, on the 20th of March 1927 for the purpose of considering the report that the Working Committee expected to present. It was, however, found that in consequence of the budget sessions in most of the Provincial Councils, many members of the All India Congress Committee were unable to be in Delhi and as the discussions with the Hindu and Mohammadan leaders continued without any definite conclusion being reached so as to enable the Working Committee, to consider the matter and place their proposals before the All India Congress Committee the meeting had to be postponed until the Working Committee could do so.

In the meantime, there were important informal conferences held of the Hindu members of the Congress party in the Indian Legislature whose conclusions were communicated to the Working Committee in view of similar conferences held among Mohammadans and of the Committee of the Muslim League.

On the 20th March, however, certain important Muslim leaders met and after long and anxious deliberations, decided to put forward specific proposals on the Hindu-Muslim problem for the acceptance of the Hindus and of the country, and communicated their desire through Mr. Jinnah that the Congress should consider and agree to the said proposals.

The Working Committee which met a day after those proposals were made, resolved "that the committee cordially appreciates the decision arrived at by the Muslim Conference to accept the institution of joint electorates all over the country with reciprocal concessions in favour of minorities and appoints the following Sub-Committee to discuss details with representatives of the Muslim Conference and of the Hindu community :—

Sub-Committee :—Mrs. Sarojini Naidu, Pandit Motilal Nehru, Syt. Srinivasa Iyengar and Maulana Mohammad Ali."

The Sub-Committee appointed by the resolution subsequently met and had various discussions and it was decided that the Working Committee should meet and formulate its conclusions after discussing details with representatives of both Communities, and has since received communication from several conferences on this matter. Among these are the resolutions of the Hindu Maha Sabha at Patna and the resolutions of the Maharashtra Congress Committee, which have appeared in the Press.

The Working Committee have also had the benefit of full and frank discussions with important Mohammadan leaders here in Bombay, yesterday, and opinion was generally in favour of the acceptance of the Muslim proposals. After considering all the materials placed before them and having had discussions with leading members of the Hindu and Mohammadan as well as other communities, the Working Committee resolved to recommend to the All India Congress Committee the following:—

Resolutions.

The Working Committee having considered the proposals made by representative Muslim leaders who met in Delhi on the 20th March last, as well as the opinions of other leaders and representatives of both communities, is of opinion :—

(1) That in any future scheme of Constitution, so far as representation in the various legislatures is concerned, joint electorates in all the provinces and in the Central Legislature be constituted.

(2) That, with a view to giving full assurances to the two great communities that their legitimate interests will be safeguarded in the Legislatures, for the present, and if desired, such representation of the communities should be secured by the reservation of seats in joint electorates on the basis of population in every province and in the Central Legislature;

Provided that reciprocal concessions in favour of minorities including the Sikhs in the Punjab may be made by mutual agreement so as to give them representations in excess of the proportion of the number of seats to which they would be entitled on the population basis in any province or provinces; and the proportions so agreed upon for the provinces shall be maintained in the representation of the two communities in the Central Legislature from the provinces.

(3) a.—The proposal made by the Muslim leaders that reforms should be in-

introduced in the N. W. F. Province and British Baluchistan on the same footing as in other provinces is, in the opinion of the Committee, a fair and reasonable one.

(3) b.—The proposal that Sind should be separated from the Bombay Presidency and constituted into a separate province is one which has already been adopted in the Constitution of the Congress on the principle of the redistribution of provinces on a linguistic basis and the Committee is of opinion that the proposal may be given effect to.

(4) That in the future Constitution, liberty of conscience shall be guaranteed and no legislature, central or provincial, shall have power to make any laws interfering with liberty of conscience.

"Liberty of conscience" means liberty of belief and worship, freedom of religious observances and associations and freedom to carry on religious education and propaganda with due regard to the feelings of others and without interfering with similar rights of others.

(5) No Bill, Resolution, Motion or Amendment regarding inter-communal matters shall be moved, discussed or passed in any Legislature, Central or Provincial, if a three-fourths majority of the members of either community affected thereby in that legislature oppose the introduction, discussion or passing of such Bill, Resolution, Motion or Amendment.

"Inter-Communal Matters" means matters agreed upon as such by a joint Standing Committee of both communities, of the Hindu and Moslem members of the legislatures concerned, appointed at the commencement of every session of the legislature.

The A. I. C. C. approves and adopts the Report of the Working Committee on the Hindu-Muslim question and the recommendations contained therein and calls upon all Congress organisations to take necessary steps to have the said recommendation carried out.

4. The question of framing a constitution for India was then brought up and after some discussion the meeting was adjourned.

The Committee met again in the Taj Mahal Hotel at 8-30 a.m. on the 16th. May 1927.

5. The letters received from the Punjab, Andhra and Tamil Nadu Provincial Congress Committees expressing inability to pay their quotas to the A.I.C.C. were considered. The Secretary was asked to make a further effort to realise the amounts due from these and also from other provinces.

At this stage a deputation on behalf of the Hindu residents of Sind headed by Seth Naraindas Asamber waited upon the Committee to plead against the separation of Sind as contemplated in the proposals regarding Hindu-Muslim unity. After hearing the deputation, the President explained how the separation of Sind improved the position of Hindu residents thereof. Thereupon the deputation left.

8. The question of framing a Constitution for India was again taken up and after full discussion the following draft resolution was adopted for being placed before the All India Congress Committee:—

"The A. I. C. C. calls upon the Working Committee to frame a Constitution for India in consultation with the elected members of the Central and Provincial Legislatures and other leaders of political parties, and place the same before a special meeting of the A. I. C. C. with a view to its adoption by the Congress at its next session."

9. Pandit Jawaharlal Nehru's note on the Congress of Oppressed Nations held at Brussels was next taken up and the following draft resolution for the A. I. C. C. adopted:—

"The All India Congress Committee records the report of Pandit Jawaharlal Nehru, representative of the Congress at the International Congress against Oppression and for National Independence held at Brussels in February last, and expresses its high appreciation of his services at the Congress."

This Committee appreciates the efforts that are being made by the League against Imperialism and for National Independence founded by the said Congress to secure the independence of all suppressed nations in the world and resolves to recommend to the Congress to give support to the League as an associate organisation.

Under the rules of the League, an associate organisation is an organisation which does not agree wholly with the programme and activities of the League.)

10. The Committee discussed the Chinese situation and resolved as follows :—

"The All India Congress Committee assures the Chinese people of its fullest sympathy in their struggle for freedom, condemns the Government of India in despatching Indian troops to China and demands their immediate withdrawal."

11. At this stage the committee considered the resolution on the Nagpur Satyagraha, notice of which had been given by Mr. H. Raja Rao. The decision of the Committee was that the resolution be not supported in the A. I. C. C.

12. The question of Labour organisation was discussed at length by the Committee which eventually adopted the following draft resolution to be placed before the A. I. C. C.

"The All India Congress Committee calls upon the Working Committee to organise rural and urban labour in the provinces, to appoint organisers for the purpose and frame general regulations in this behalf.

13. The Congress disputes in Bengal were then taken up. Babu Rajendra Prasad informed the committee that efforts were being made to arrive at an understanding between the rival parties in Bengal and that there were hopes of an amicable settlement. The meeting then adjourned.

The Committee met again at 8 o'clock on the morning of the 17th May 1927.

14. The first question discussed was unity between the different parties in the Congress. Messrs. Kelkar and Jayakar, Dr. Moonje and Messrs. Dhopathkar and Gokhale attended at the special invitation of the President and participated in the discussion on the subject.

In the course of discussion, Mr. Prakasam's resolution, notice of which had been sent to the A. I. C. C., was considered and the Committee decided not to support it in case it was held to be in order. Similarly, it was decided that the resolutions sent in by Messrs. Sambamurti, Pratap Chandra Guha Roy, M.K. Acharya and Annapurniah be not supported in case they were held to be in order.

15. The resolutions passed at the Kerala Provincial Conference forwarded by the Kerala P.C.C. were recorded.

16. The resolutions recommended by the Maharashtra P.C.C. particularly those relating to unity in the Congress were considered. After some discussion the question was adjourned for further consideration.

17. At this stage Babu Rajendra Prasad handed in an application signed by members of the A. I. C. C. from Bengal representing both the contending parties, requesting that the Bengal disputes be referred for final decision to Messrs. N. C. Chunder, M. L. A., Amarendranath Ghose, M. L. C., and Akram Khan. On this application the Working Committee passed the following draft resolution to be placed before the A. I. C. C. :—

"The All India Congress Committee resolves that the Bengal Congress disputes be referred for final decision to the following arbitrators suggested in the letter dated 17th May 1927 addressed by (1) Mr. Purushottam Roy, (2) Mr. Suresh Chander Das, (3) Mr. Rajkumar Chakravarty, (4) Mr. Basantakumar Mazumdar, (5) Syta. Homprova Mazumdar, (6) Mr. Ghiyasuddin Ahmed, (7) Mr. T. C. Goswami and (8) Mr. Pratap Chandra Guha Roy, Arbitrators :—Mr. N. C. Chunder, M.L.A., Mr. Amarendranath Ghosh, M. L. C. and Mr. Akram Khan". The Committee then adjourned.

18. When the A. I. C. C. rose for refreshments at 4-30 p. m. on the 17th, an emergent meeting of the members of the Working Committee then present was held at the Congress House and the following draft resolution was adopted for being moved as an official resolution before the A. I. C. C. :—

"The All India Congress Committee appreciates the proposal of the Hindustani Sava Dal to send an Ambulance Corps to China and appeals to the country to give its moral and material support to this humanitarian work—to tend the wounded and the Sick.

"The A. I. C. C. calls upon the All India Board of the said Dal to take all necessary steps in connection with the despatch of the proposed Ambulance Corps".

The Committee met again in the Taj-Mahal Hotel at 2—30 P.M. on the 18th May 1927.

19. The application of Pandit Santanam, President of the Punjab P. C. C. for a grant of Rs. 3,000 was considered and it was resolved that Rs. 1,500 be advanced to the Punjab P. C. C. through its President, Pandit Santanam, as a loan on condition that the amount be returned by February next.

20. Babu Rajendra Prasad's application asking for a grant of Rs. 800 to enable him to meet certain outstanding demands in connection with the last year's general election expenses in Bihar was placed before the Committee: the Committee resolved that the Secretary be authorised to pay the amount, funds permitting, out of the balance of the Central Publicity Fund.

21. The draft rules forwarded by Mahatma Gandhi regarding the habitual wear of Khaddar were placed before the Committee and it was resolved that the issue of instruction on this matter be postponed till after the President's consultation with Mahatmaji.

22. The All India Congress Committee's resolution on the Nagpur Satyagraha was next taken up and the following resolution was adopted:—

"Resolved, in pursuance of the A.I.C.C.'s resolution on the Nagpur Satyagraha, that Syt. Vallabhbhai Patel be deputed to study the situation and submit a report in a fortnight's time.

23. Discussion on the question of unity or co-operation between the parties in the Congress was resumed. Dr. Moonje was specially invited to be present. The following formula was considered as a formula of co-operation, not of unity between parties to the extent co-operation was possible consistently with the Gaubhati resolution:—

"While adhering to the principle of non-acceptance of ministries by Congressmen the Working Committee recommends that the Congress party in the Council should co-operate to give practical effect to clauses (c), (d), (e) and (f) of resolution V of the Gaubhati Congress in Provincial Legislatures where ministries have been or are likely to be formed by Responsivists or Independent Congressmen."

The Committee considered the matter fully and unanimously arrived at the formula contained in the following instructions issued to the Congress party in the several Legislatures.

"The Working Committee hereby instructs the Congress party in the several Provincial Legislatures that their duty under clause (a) of Resolution V of the Gaubhati Congress is to prevent the functioning of dyarchy as such wherever possible and does not impose on them the duty to defeat a ministry if the result of such action is, in the judgment of the party, likely to strengthen the bureaucracy or any anti-national party and is further of opinion that it is desirable for the Congress party in the several legislatures to co-operate with other parties for the purpose of carrying out the policy and programme laid down in clauses (c), (d), (e) and (f) of the said resolution.

24. The question of the Congress party's conduct in the Madras Legislative Council was then considered as Mr. Sani Vankatachalam Chetty, the leader, had asked for instructions. He and Mr. Satyamurti, deputy leader of the party, were present during the discussion on this matter. After hearing them, the Committee adopted the following resolution:—

"Having heard all that has been said pro and contra the conduct of the Congress Party in the Madras Council, the Working Committee is convinced that the party has done nothing inconsistent either with the ultimate object of the Congress, the attainment of Swaraj, or with the spirit and letter of the Gaubhati resolution as in its judgment there was no probability of wrecking dyarchy in that province at that time, but that on the other hand done all that lay in its power to prevent the strengthening of the bureaucracy by means of an alliance of the bureaucracy with a party whose avowed policy is to promote communalism and to repress nationalism for the purpose of securing office at the hands of and as a favour from, the bureaucracy. In so far as it has succeeded in doing this, the Madras Council Party deserves the thanks of the Congress and the country. But the Working Committee would at the same time make it perfectly clear that in no case shall the party in the Council revert to such co-operation with the Ministers as is not permissible under clauses (c)—(f) of the Gaubhati resolution and shall always work for a favourable opportunity of destroying dyarchy.

All-India Congress Committee.

BOMBAY—15TH MAY, 1927.

The picturesque pandal specially constructed for the purpose on the ground of the Congress House at Bombay was fully packed with delegates and visitors when the A.I.C.C. opened its session on the 15th May at 4 P.M. with Mr. Srinivasa Iyengar in the chair. Owing to want of space the huge crowds that were waiting outside could not gain admission. Long before the committee met, members in groups were seen informally discussing the Hindu-Moslem questions with great interest. Those present included, Mr. Srinivasa Iyengar, Pandit Motilal Nehru, Mrs. Naidu, Messrs. M. R. Jayakar, N. C. Kelkar, A. Rangaswami Iyengar, Mahomed Ali, Shaukat Ali, Zahur Ahmed, Dr. Moonji, D. V. Gokhale, T. Prakasam, K. Santanam, Rajendra Prasad, Mathura Prasad, T. C. Goswami, George Joseph, Pothan Joseph, Gaurishankar Misra and S. N. Hajji, Sir Purushotamdas Thakurdas, Messrs. Sheo Prasad Gupta, M. K. Acharya, Seth Govindas, Jamnadas Dwarkadas and B. G. Horniman, who, clad in Khaddar dhotie and a shirt, received an ovation as he entered the pandal. Proceedings opened with a chorus of "Vande Mataram" sung by two Maharashtrian girls. Mr. Srinivasa Iyengar then delivered his inaugural address laying stress on the need for unity in the Congress ranks and urging the acceptance of the Jinnah conference proposals.

In his preliminary address Mr. Iyengar said: The meeting had no more important subject to deal with than the question of Hindu-Muslim unity and after years of trouble and strife he thought it was possible to see a ray of light. For the first time after many years' leading Mussalmans had shown a real desire to lay the foundation of national life on solid lines. He had come to the conclusion that proposals now famous in the History of India as the Delhi proposals represented the earnest and anxious desire of the Mussalman friends to co-operate with the Hindus. Whatever theoretical objections there might be the proposals offered a basis for what might be regarded as a safe compromise for the present and as leading ultimately to perfect nationalism.

Discussing various clauses in the proposals, Mr. Iyengar said very little objection had been raised to the population basis. Nobody could seriously object to the North West Frontier Provinces having the same reforms as other parts of the country. Lala Lajpat Rai's objection to reforms in these provinces on the ground of the existence in them of the Jirgha system could not be regarded as very serious to us. He could not understand how the Jirgha system could be bettered and how under the reforms it could be any worse. As for the separation of Hind, the Congress could not object to it as it had given its support to the constitution of the provinces on a linguistic basis and when Mussalman friends agree to the separation on its own merits Hindus could not have any objection to it. I do not think by being in the province of Bombay Hindus get more protection now nor is there anything to show that there will be less protection if it is separated. When joint electorate is introduced with a view to the development of nationalism it will be begging the question to think of communal interests. We must demand the formation of linguistic provinces in India in accordance with our Congress scheme. At any rate Congressmen can have no objection whatever to it. We should agree to a formula of religious freedom as a fundamental law of the constitution and also to the convention that no inter-communal matter shall be taken or discussed if it is objected to by three-fourths of members belonging to any particular community in the Legislative Council in which the question is raised.

I think communal unity will be more easily established if political unity in the Congress is also brought about. I would suggest that the A. I. C. C. should convoke an Assembly composed of itself as well as the elected members of the Central and Provincial Legislatures for the purpose of settling a constitution for India and for the purpose of devising sanctions binding on elected members of the legislature in case that constitution is not agreed to by the Government. The Committee should take definite steps for the organisation of rural and urban areas and starting of mass movement in districts and provinces.

With reference to the grievances on which there is the most feeling difference

among the Congressmen culminating in the running of rival organisations it is required that the Working Committee should be specifically invested with powers to declare which are real Congress organisations and which are not and to create special emergent organisations where there is negligence, default or rebellion."

Resolutions

1. GANDHI'S HEALTH.

The President then put from the chair a motion wishing speedy recovery to Mr. Gandhi to enable him to continue his work for India and the world. The motion was unanimously carried.

2. HINDU MUSLIM UNITY.

Mr. A. Rangaswami Iyengar, General Secretary, then read a report of the Working Committee on Hindu-Muslim unity. The report referred to the Gauhati resolution on the subject and the President's activities in carrying consultations and discussions with Hindu and Muslim leaders and bodies. It also referred in detail to the activities in Delhi both by the Hindu and Muslim members of the Central Legislature prior to and after the Jinnah Conference proposals on the question of a joint electorate. After reiterating the Working Committee's resolution on the question in the middle of March when a Sub-Committee was appointed to go into the question the report went on to say that since then the Committee had the benefit of the opinions of various bodies and men including the informal conferences that had been meeting in Bombay since Thursday.

THE WORKING COMMITTEE'S RESOLUTION.

After considering all the materials placed before them by all bodies including the Hindu Mahasabha, the Working Committee resolved to recommend to the A. I. C. C. the following:—

1. That in any future scheme of constitution, so far as representation in the various legislatures is concerned, joint electorates in all provinces and in the Central Legislature be constituted.

2. That with a view to give full assurances to the two great communities that their legitimate interests will be safeguarded in the legislatures for the present and if desired, such representation of communities should be secured by reservation of seats in joint electorates on the basis of population in every province and in the Central Legislature, provided that reciprocal concessions in favour of minorities, including Sikhs in the Punjab may be made by mutual agreement so as to give them representation in excess of the proportion of the number of seats to which they would be entitled on the population basis in any province or provinces and the proportions so agreed upon for the provinces shall be maintained in the representation of the two communities in the Central Legislature from the provinces.

3. (a) The proposal made by the Muslim leaders that reforms should be introduced in N. W. F. Province and British Baluchistan on the same footing as in other provinces is in the opinion of the Committee a fair and reasonable one.

(b) The proposal that Sind should be separated from the Bombay Presidency and constituted into a separate province is one which has already been adopted in the constitution of the Congress on the principle of redistribution of provinces on a linguistic basis and the Committee is of opinion that the proposal may be given effect to.

4. That in the future constitution liberty of conscience shall be guaranteed and no legislature, central or provincial, shall have the power to make any laws interfering with liberty of conscience. Liberty of conscience means liberty of belief and worship, freedom to carry on religious education and propaganda with due regard to the feelings of others and without interfering with similar rights of others.

5. No bill, resolution, motion or amendment regarding inter-communal matters shall be moved, discussed or passed in any legislature, central or provincial, if a three-fourths majority of the members of either community affected thereby in that legislature is opposed to the introduction, discussion or passing of such bill, resolution motion or amendment. Inter-communal matters mean matters agreed upon as such by a joint standing committee of both communities, of Hindus and Muslim members of the legislatures concerned, and, appointed at the commencement of every session of the legislature."

On behalf of the Working Committee Pandit Motilal NEHRU moved an ovation moved the following resolution: "The A.I.C.C. approves and adopts the report

of the Working Committee on the Hindu-Muslim question and the recommendations contained therein and calls on the Congress organisations to take the necessary steps to have the said recommendations carried out".

In moving the resolution Pandit Motilal Nehru said that any arrangement of this character must be based on the principle of give and take as every compromise must represent the agreed wish of the parties to the compromise. You cannot expect it to conform entirely to individual views of bodies or parties concerned. He agreed it was not the ideal arrangement, but having regard to all circumstances nothing better could be devised which could remove the present unfortunate communal tension. Whatever the intentions of the framers of the Delhi proposals were they were to take it as the report of the Working Committee which had considered it in every aspect. He denied it was the intention of the Muslim friends that a price should be paid by Hindus for securing Muslim assent to joint electorates. The Working Committee had considered each part of the proposal as an independent one and if one part was not acceptable to the members they should express their disapproval of that part alone. There was only one point on which there was very strong feeling on both sides and that was the separation of Sind. The feelings were based on a consideration of the administrative and financial difficulties of the question. Looking back to the previous history of the question it had never been stated that the separation of Sind would in any way affect the Hindus adversely.

On the other hand distinguished leaders of Sind had in the past expressed their disapproval of Sind being tied to the chariot wheel of Bombay. The question had been asked: If the separation of Sind should be agreed to because the Congress had given its approval to the constitution of provinces on a linguistic basis, why not extend the proposal to other provinces also? His answer was that they were not considering the general constitution of India but only that part of the constitution which affected the question of Hindu-Muslim Unity and therefore they need not go into the larger question at this stage. As for the financial commitments of Bombay in Sind in such projects as the Sukkur Barrage, it was only a matter of book entry and the Congress was not concerned now with it. It was the concern of the Government and the Congress need not allow the considered opinion of the members to be affected by these considerations.

Urbu Rajendra Prasad formally seconded the resolution.

Audhra Opposition

Mr. VISWANATHAN moved an amendment to Pandit Motilal's motion merely appreciating the spirit of the Delhi proposals made by the Muslims and reiterating the Congress Committee's faith in the principle of joint electorate and in the principle of the distribution of provinces on a linguistic basis and providing for the inclusion of these principles in any future scheme of Swaraj for India. Mr. Viswanathan averred that the original resolution implied the acceptance of the Royal Commission and committed the Congress to the acceptance of a policy of taking part in the future elections also. So far as the introduction of reforms in N. W. F. and Baluchistan was concerned he asked: were they asking for the same reforms they were fighting against to-day?

Another Amendment.

Mr. NIMBAKAR was assailed on all sides when he rose to move the second amendment on the ground that he was not wearing khaddar as per Gauhati resolution. Mr. Nimbakar asserting that he was, the President permitted him amidst laughter to continue. The speaker said that it was not fair to come to any understanding and settlement when Lala Lajpat Rai and Pandit Madariya, the leaders of the Hindu Sabha, were not there. They had also to bear in mind that neither the Muslim League nor the Khilafat Committee, the two responsible bodies of Muslim opinion would give any lead on the matter.

Dr. ANSARI who was well received explained why the Pandit's motion ought to be accepted. To the argument that the Delhi proposals did not emanate from a responsible Muslim body, Dr. Ansari said that the Muslim League at Delhi and the Khilafat Conference at Lucknow had appointed committees to confer with the leaders of the sister community and find out ways and means to put an end to the unfriendly relations between the two great communities. The Delhi Jinnah Conference was the result of these two resolutions and it would be therefore unjust to dub those

resolutions of Delhi as unrepresentative or irresponsible. Continuing, the Doctor admitted that even now there was a body of Mussalmans who placed faith in separate representation and special seats; but it was to end this that the Jinnah Conference made the proposals which were meant to end this mentality. They should not forget that with very few exceptions all Muslim leaders of all creeds and sections attended the Jinnah Conference. "Take it from me", continued Dr. Ansari, "that those of us who pressed for this unanimous decision had an uphill fight. It is a great victory and you should realise that no sacrifice is too great to bring about such a consummation. It is equitable, honourable and patriotic and I request and appeal to you to understand that the spirit that pervaded the Jinnah Conference was nothing more than one of give and take." Amidst cheers Dr. Ansari repeated his appeal for the acceptance of the proposals.

OTHER AMENDMENTS

Mr. S. C. Das then moved an amendment which banned the A. I. C. C. to refrain from expressing any opinion on the subject of the introduction of Reforms in Baluchistan and N. W. F. as the Congress had not expressed any opinion thereon. The motion was duly seconded.

Mr. Rajkumar Chakravarti wanted that the resolution should lay down some definite course in regard to the question of music before mosques which was at the root of all troubles.

Mr. Srinivasa Iyengar assured the members that the problem was engaging the attention of the working committee. One part of the resolution which was ripe had been placed before the members for their acceptance, namely, the question of joint electorate, but the question of music before mosques was not ripe for discussion.

Mr. Satyamurti gave enthusiastic support to the resolution. He was sure it represented a distinct advance on the Lucknow pact in at least six different directions. He expressed the opinion that the joint committee to be appointed according to the resolution to decide what were communal questions should be appointed not at the beginning of every session, but at the beginning of every Council, since in the former case members would not be entirely free from a spirit of rivalry engendered during the session.

Mr. Jayakar, who entirely supported the resolution except in two points, moved an amendment which wanted to add after the clause advocating reforms for N. W. F. and Baluchistan a proviso favouring the reforming of the judiciary and other things in the provinces so as to bring them on a par with other provinces. Explaining this amendment, Mr. Jayakar said that unless rules and regulations in respect of the judiciary, law of evidence etc., in these provinces were brought up-to-date the reforms would be defeated in their purpose.

Mr. Mahomed Ali and Shwail Queroshi suggested that instead of making it a proviso Mr. Jayakar might make it an additional obligation. Mr. Jayakar declined to do it.

Continuing, Mr. Jayakar said that the object of his motion was to compel the bureaucracy to yield its vested rights. Coming to the clause favouring the separation of Sind, Mr. Jayakar moved an amendment in the following words:—"Separation of Sind should be considered and given effect to as part of a complete scheme whereby the entire country will be redistributed on a linguistic basis."

Mr. Jayakar thought that it would be wrong to create an impression that they were sacrificing Sind for the sake of other provinces. Just as in the case of the rendition of Bihar they raised a hue and cry against the proposal unless the Biharis favoured it, he should say that unless Sindhis favoured it Sind should not be separated but he was reasonable and knew that there had been a nation-wide demand for separation of provinces on a linguistic basis. Therefore he would suggest that under this clause other provinces should also be encouraged to attain their ideal. The speaker paid a tribute to Pandit Motilal for the wonderfully statesmanlike way in which he moved the resolution and appealed to him to accept his amendment, which really covered the spirit of the resolution. Mr. Jayakar repeated what he had already said at Delhi that the Moslem proposals were an improvement on the existing order of things and also reiterated his appreciation of the spirit in which they had been made.

In opposing Mr. Jayakar's amendment Mr. Gokarni declared that Sind had always been regarded as a separate entity and there was no evidence that Sindhis had any bitter feeling against separation. The resolution did not propose any comprehensive scheme for the whole of India. It was simply an answer to Muslim proposals.

The principles laid down in the resolution would form part of the future constitution of India. He finally appealed to members to stick to the original resolution.

Mr. Joginder opposed the resolution on the ground that the release which granted facilities only to about 2 per cent of the Indian population were sought to be extended to other provinces. He was entirely against such an extension.

Mr. Shauab Qureshi supported the resolution. The only point of difference was the separation of Sind, which a section regarded as a sacrifice. Even if it was a sacrifice, he urged that it was worth making for the sake of unity and Swaraj. It was then adjourned till next day.

SECOND DAY—16th. MAY, 1927

TO MR. S. C. BOSE

The good news of Mr. Sukhna Chandra Bose's release was referred to by Mr. Srinivasa Iyengar, President of the Congress, in opening the proceedings of the A. I. C. C. when it reassembled this afternoon. Members received the news with cheers. Mr. Iyengar said he thought the release was unconditional and hoped that Mr. Bose would soon be restored to health and be able to take up his former activities again. Mr. Iyengar was sure that the members of the A. I. C. C. fully appreciated Mr. Bose's many sacrifices and the manly spirit with which he refused to accept the conditional offer of release made by the Government. There was not much to be said, said Mr. Iyengar, regarding the action of the Government in this respect which was most tardy and grudging, especially as there were other detainees still unreleased.

Before resuming discussion on Pandit Motilal Nehru's resolution accepting the Muslim offer a member from Bengal requested the President that the press reporters should be warned against misreporting the proceedings of the Committee. He referred to an instance in which the Free Press had reported that there were two opposing sections among the members from Bengal and U. P. and one of these sections was refused admission to the proceedings. It was an entirely false report. The President appealed to the pressmen to be fair and impartial in their reports.

SIND MEMBER'S SUPPORT

Discussion on the resolution before the house was then resumed. The first speaker on it was a member from Sind, Haji Abdullah Harun Jaffer. He supported the Pandit's motion. He referred at length to Sind's attempts for over thirty years to get separated from Bombay and also recalled Mr. Harichandra Vibhadra's efforts in that behalf. As a handmaid of Bombay Sind had no advantage. The speaker also said that he and his friends in Sind had recently agreed to the invitation to join electorates.

Mr. George Joseph asked the President if there was any truth in the rumour that a compromise has been arrived at between Mr. Jayakar and the Working Committee. The President replied that in the absence of Mr. Jayakar he could not say anything.

Mr. D. Shmukh then moved an amendment that the proposal to separate Sind might be given effect to "consequent on the satisfactory working of the joint electorate system to be introduced in Sind simultaneously with other provinces in accordance with the Congress constitution."

PANDIT NEHRU ON A COM

Pandit Motilal Nehru alluded to Mr. Joseph's interpellation and said that the Working Committee had consultations with Dr. Moonje and Mr. Kelkar and those of Mr. Jayakar's party in the absence of Mr. Jayakar. In Mr. Jayakar's absence he could not say anything but he understood that a compromise was acceptable if Mr. Jayakar withdrew the amendment. The Pandit was agreeable to amend the Sind clause of his resolution so as to admit Andhra also being constituted into a separate province and to admit of other provinces following suit. The Pandit, in reply to a question, said that it was open to the house to decide the question then and there, irrespective of Government.

MR. SAMBAMURTHI'S AMENDMENT

Mr. B. Sambamurthi then moved another amendment virtually putting off further consideration of the question.

Mr. Sambamurthi's amendment called upon the A.I.C.C. to postpone consideration of the Muslim proposals since Muslim organisations, which had met after the proposals were published, had not ratified them and the bulk of Hindu opinion had not expressed itself in favour of them. Meanwhile the Working Committee should be authorised to strive to bring about mutual understanding and harmony between the two communities. Mr. Sambamurthi declared that the proposals seemed to him to have been framed with an eye to the prospect of giving evidence before the Royal Commission. If the country made up its mind that they should not go before the Royal Commission but should determine the cause of Indian freedom themselves they must repudiate the proposals. The joint electorates, he was sure, were not going to bring about unity at all but were a source of danger in the near future. Mr. Sambamurthi asked the members of the A.I.C.C. why they should recognise these proposals at all while Mr. Jinnah and other authors had not taken even the courtesy to inform them of these proposals. None of the Muslim bodies which had met subsequent to the publication of the proposals had ratified them. The Bengal Muslim League on the contrary repudiated them.

Maulana Mahomed Ali: No. The Bengal Muslim League cannot speak for the whole of India. We are not slaves of Sir Abdur Rahim.

Mr. Sambamurthi continuing made a final appeal to adjourn the consideration of the proposals altogether and not accept them in a moment of weakness.

Mr. Harichandra seconded the adjournment motion.

Mr. Harisurvothama Rao opposing the amendment appealed to the members to throw it out. The proposals before the House were only a means of bringing about communal unity but if they threw out these proposals, where was the scheme to carry out civil disobedience while even the greatest men in India were not prepared to back it?

Mr. George Joseph moved and Mr. Gopala Menon seconded that the question be put.

Mr. Jaminadas Erunza raised the question of non-khadi wearers. The President after assuring himself that all were wearing khadi put the motion which was carried.

Pandit Nehru's Summing up.

Pandit Motilal Nehru on the invitation of the President explained the position of the Working Committee. He was sorry that his opening remarks yesterday had not been followed, for he clearly said that they were not entering into a pact nor accepting a pact but merely putting forward their own proposals. It was only a coincidence that the Delhi Muslim proposals were in the same nature but he would assure them that it was not an offer and was not taken by his Committee as one. All that the Committee was called upon to do was to carry the Gaubati mandate. The Working Committee after feeling currents and undercurrents in the country had put forward the present proposals which were similar but by no means identical to the one of Mr. Jinnah's conference. Continuing, the Pandit referred to Mr. Sambamurthi's motion and said: "We are considering the question of Hindu-Muslim unity. If there is any question on which we should forget and discard all notions of false dignity it is this (Hear, hear). But I can assure you that even I who am described by a certain section of the press as a proud man (Laughter) and who was described by Mr. Sambamurthi as a dangerous man (Loud Laughter) would not hesitate to take the very dust if thereby we can bring forward Hindu-Muslim unity."

Pandit Motilal Nehru proceeded to elaborate the disadvantages to the country resulting from the postponement of the question. He wanted to make it clear that it was not in anticipation of the Royal Commission that the Working Committee had put forward the proposals before them. He would assure them that nothing was farther from the mind of the Working Committee. His appeal to them was that they must frame a constitution for themselves which the Royal Commission may or may not accept, no matter whether it came now or later. But if in such framing they did not seek the co-operation and help of the Muslim community, who had hitherto kept aloof from them, how would that constitution be looked upon by the world in general. Let alone the British Government. Without Hindu-Muslim unity, Swaraj was unthinkable.

Concluding, the Pandit said: "We certainly are not going to give evidence before the Royal Commission or any other commission to prove our capacity for Swaraj or

our ability for Swaraj or to undergo any kind of school boy's examination which is provided for in the Government of India Act."

After Pandit Nehru's explanation Mr. Sambamurthi's adjournment motion was put and lost by a large majority.

MR. JAYAKAR'S AMENDMENT.

Mr. Jayakar then moved the following altered amendment regarding the separation of Sind which he had accepted: "In regard to the proposal that Sind should be constituted into a separate province the Committee is of opinion that the time has arrived for redistribution of provinces on a linguistic basis, a principle that has already been adopted by the constitution of the Congress.

"The Committee is also of opinion that such a readjustment of provinces be immediately taken in hand and that any province which demands such a reconstitution on a linguistic basis be dealt with accordingly:

"The Committee is further of opinion that a beginning may be made by constituting Andhra and Sind and Karnatak into separate provinces."

The following is the text of the amendment regarding reforms to N. W. F. Provinces and Baluchistan:—

"That the proposal made by Muslim leaders that reforms should be introduced into N. W. F. Provinces and British Baluchistan on the same footing as in other provinces is in the opinion of the Committee a fair and reasonable one and should be given effect to, care being taken that simultaneously with other measures of administrative reforms an adequate system of judicial administration shall be introduced in the said provinces."

Mr. Jayakar said his only point regarding the separation of Sind was that the province should not feel that it had been singled out for special treatment.

Mr. Jayakar's amendment was incorporated in the resolution.

Other Amendments.

The remaining amendments before the House were one by one at the persuasion of the President withdrawn.

Mr. Gaurishankar Misra then moved an amendment that the principle of representation on population basis should be adhered to all along the line. He declared that the clause in the proposals regarding this question was somewhat self-contradictory. The amendment was opposed by Pandit Nehru and was lost by a large major

Dr. Moonje, clearing his position as the Mahasabha President, expressed his agreement with the amended terms of the resolution and avowed that the Hindu Mahasabha dealt with the question in a national and not a communal spirit. Continuing, he said neither Muslims nor Hindus would ask for each other's protection: for each community was strong by itself although he was aware his community was dubbed as meek. He supported the whole resolution subject to the reservation on the question of the N. W. F. reforms.

Mr. N. C. Kelkar, speaking in support of the motion, repeated Mr. Jayakar's statement that although a member of the Hindu Mahasabha he was capable of looking at the communal question from the nationalist point of view and had always done so and would continue to do so. He would, however, say that it was not fair for Muslims to ask for the reservation of seats and an excessive representation at the same time. He gave whole-hearted support to the separation of Sind.

Mr. Pattabi Sitaramayya, speaking in support of the resolution, expressed his firm conviction that the time-spirit that was abroad was responsible for the understanding between the two communities which the resolution before the House represented. He denied that it was actuated by any consideration of the impending Statutory Commission any more than the 1926 pact was so actuated.

Maulana Mahomed Ali was the next speaker. He described the spirit in which the proposals were conceived at the Western Hotel, Delhi where a most heterogeneous gathering of Muslim leaders were present and till the last moment no agreement was in sight. At last they all rose to offer their evening prayers and offer their supplication to God that the right spirit should prevail and a way out should be found out of the terrible communal situation and, as if God had listened to their prayers, at the suggestion of the Deputy-President of the Assembly a way was clear in the shape of joint electorate and an agreement was reached. He believed that the younger generation which was represented at the

meeting of the Working Committee yesterday by his own and his brother's grandsons would look back their achievement with pride. Concluding, he congratulated the President for the earnestness with which he pursued the task and brought about unity between the Brahmans and non-Brahmans in Madras.

RESOLUTION CARRIED UNANIMOUSLY

After Moulana Dawood had also spoken fully in support of it the resolution was put and carried unanimously.

Mrs. Naidu then rose to congratulate the House on the spirit with which it had approached the question and solved it. After the strife and victory came the woman's part which was to beautify and give "ashirvad" to the victor. She made a stirring reference to the basic unity of the Hindu and Muslim cultures. She would not enter into the merits of the terms. They were of no account before the spirit they expressed. By accepting the proposals put forward by Mr. Jinnah whom Mr. Gokhale had described as the best ambassador of the Hindu-Muslim unity, the Congressmen had proved themselves true to be the natural spokesmen of India and on behalf of the united nation she extended her appreciation and gratitude to them.

Mr. Srinivasa Iyengar before adjourning the house for the day congratulated the members on their achievement. Moulana Shaukat Ali also spoke expressing his appreciation of the spirit displayed by all sections. The meeting then adjourned.

THIRD DAY—17th. MAY, 1927

3. A CONSTITUTION FOR INDIA

Attendance was thinner than on the previous days when the All-India Congress Committee reassembled at half past two this afternoon. Pandit Motilal NEHRU moved: "The A.I.C.C. calls upon the Working Committee to frame a constitution for India in consultation with the elected members of the Central and Provincial Legislatures, and leaders of political parties and place the same before a special meeting of the A.I.C.C. with a view to its adoption by the Congress at its next session." Pandit Motilal said that the previous day the House having sanctioned a very small part of the constitution for India they had now to make it possible for Hindus and Mussalmans to come together and consider other necessary parts of the constitution. The reason why sanction to consult other parties was required was that the constitution as finally emanating should go forth to the world as one framed by the Indian nation.

Mr. Pattabi Sitaramayya wanted to know the implications of the motion which had been sprung upon them and demanded to know what happened behind the scenes.

The Pandit replied that there was not any secret behind it for they had not ever time to discuss it for more than a few minutes.

On Mr. Hamid Khan's suggestion the word "constitution" was amended into "Swaraj constitution."

Replying to Dr. Moonje and others Pandit Motilal Nehru said that the Working Committee had not considered Mrs. Besant's Commonwealth of India Bill.

Mr. Pothan Joseph moved that, instead of the words "frame Swaraj constitution," the words "lay down general principles" be substituted.

Mr. Sambamurti's amendment laying down that the Working Committee should draft a Declaration of Independence and formulate direct action for being placed before the A. I. C. C. and the Congress was ruled out of order by the President on the ground that it not only negated the motion before the House but also went beyond the Gauhati mandate.

Mr. Visvanatham moved for a provision that such a constitution should reserve to India itself the ultimate voice in judging the method and the manner of advance and progress.

Mr. Kausalji's amendment to include a Declaration of Rights in the proposed constitution was accepted by the mover.

A Bombay member raised the jurisdiction of the A. I. C. C. to go into the matter. The President disallowed the objection after which Mr. Sambamurti vehemently opposed the motion. He said that the time was not for drafting a constitution which would not be worth even the ink and paper on which it would be written.

He also feared that it was a move to force down their throats the Commonwealth Bill which had been rejected by the House on a previous occasion.

Mr. Joseph supporting the original motion and opposing the amendment of his brother said that something in the nature of scientific thinking was required and it would be a fault to merely lay down general principles. Mr. Joseph was surprised that Mr. Sambamurti of all people who believed in direct action denied his countrymen the right of framing their own constitution and asking the sanction of the nation by the Working Committee.

Messrs. Nimbkar and Jayakar opposed as also Messrs. Masamdar and Gupta.

Mr. O. Kandaswami Chetti gave his full support and said that the motion was necessary to inspire confidence as a logical corollary to yesterday's achievements.

Pandit Nehru, replying, emphasised the need for framing a national constitution.

All the amendments except Mr. Kausalji's having been thrown out, the Pandit's motion was carried by an overwhelming majority.

4. SUPPORT FOR THE LEAGUE AGAINST IMPERIALISM.

The Committee then adopted a resolution which was put from the chair recording the report of Pandit Jawaharlal Nehru, a representative of the Congress at the International Congress against imperialism and colonial oppression and for national independence, held at Brussels in February last, and expressing its high appreciation of his services. The resolution also recorded the appreciation of the efforts being made by the League against imperialism and for national independence founded by the International Congress to secure the independence of suppressed nations and recommend to the Congress to give support to the League as an associate organisation.

5. ORGANISATION OF LABOUR.

Mr. Vallabhai Patel moved: "The A. I. C. C. calls upon the Working Committee to organise rural and urban labour in the provinces and to appoint organisers for the purpose and to frame regulations in that behalf."

A Bombay member asked that the resolution be so amended that the work of labour organisations should be carried on in the country in consultation with the Trade Union Congress.

Mr. Srinivasa Iyengar assured the members on behalf of the mover that wherever branches of the Trade Union Congress existed their help would be taken but it would not make for efficient working if the A. I. C. C. should in its efforts be bound down to such consultations, especially when there were many parts in rural areas where the Trade Union Congress had no representative or branch.

The amendment was defeated and the original resolution was carried by a large majority.

6. INDIAN TROOPS TO CHINA.

Mr. A. Rungaswami Iyengar moved a resolution condemning the Government of India's action in despatching Indian troops to China and demanding their withdrawal. The motion was agreed to.

7. AMBULANCE CORPS TO CHINA.

Dr. Ansari moved: "The A. I. C. C. appreciates the proposal of the Hindustani Sevadai to send an ambulance corps to China and appeals to the country to give its moral and material support to this humanitarian work to tend the wounded and the sick and the A. I. C. C. calls upon the All-India Board of Hindusthani Sevadai to start all practical work in connection with the despatch of the proposed ambulance corps."

The mover said that the wounded in China were in no way to be considered different from those in other parts of the world and the corps proposed to do such work among the Chinese wounded men as was recognised by the International Red Cross Society. They should not in any way be obstructed by the Government who ought to place every available facility at their disposal. The motion was carried.

8. SHOOTING IN MADRAS.

On the motion of Mr. G. Hanumanthama Rao a resolution was passed calling upon the Madras Government to take action regarding the shooting on the oil strikers in Madras, with Mr. V. A. Dutt's rider that "the A. I. C. C. further calls upon the members of the Madras Legislative Council to offer civil disobedience."

A good deal of laughter was caused by Mr. Kelkar and his party voting for the rider. Mr. Kelkar remarking to Mr. Rangaswami Iyengar's query "What does it matter to me?"

Further amusement was created by Mr. Salyamurthi later in the day calling attention to the news of the end of the B. O. C. strike in Madras.

The President remarked amidst laughter that in that case the rider became in-operative. He added the rider was passed in ignorance of the fact and called upon the Secretary to make a note of it.

9. THE ENGLISH TRADE UNION BILL.

Mr. Joglekar's motion condemning the Trade Union Bill in England evoked opposition on the ground of the expediency and the jurisdiction of the Congress to interfere in the internal affairs of another country.

After a long discussion the President ruled the motion in order on Mr. Pothan Joseph's pointing out that labour legislation in India would run on the lines of British legislation.

Ultimately, however, Maulana Mahomed Ali's compromise amendment which was accepted by the mover was carried unanimously: This resolution reads:—The A. J. C. C. offers its hearty sympathy to the British workers in their struggle against the imperialistic Government which is forcing through Parliament the Trade Disputes and Trade Union Bill which is an open attack on the British workers and is part of the policy of aggression and repression directed against all movements and actions of the people opposed to British imperialistic and capitalistic greed. This meeting particularly protests against the attempt to deprive the working classes of the right to declare a general strike". The meeting then adjourned.

FOURTH DAY—18th. MAY, 1927

10. ILL-TREATMENT OF KAKORI PRISONERS.

The All-India Congress Committee met at 8-45 in the morning when Swami Kumaranand moved condemning Government for the ill-treatment of Kakori prisoners and demanding the same treatment as is meted out to political prisoners. The mover related how he himself was tortured by electric batteries and given wine to drink when he underwent thirteen years' sentence. The resolution was carried *unanimously*.

11. NAGPUR SATYAGRAHA

Mr. Raja Rao moved congratulating the organisers of the Nagpur Satyagraha and wanted the Working Committee to collect funds and to help it in other ways. He said that the breach of the Arms Act now, practised is non-violent with a view to attain the release of Bengal detenus. He appealed to the Committee to support those workers.

The member from Nagpur explained the situation and in answer to the President's question replied that the movement was undertaken on the casting vote of the President of the Nagpur Congress Committee.

Mr. Bavantra Kumar Majumdar made a vigorous speech and said that direct action, determination and movement were absolute essentials for achieving freedom.

Mr. Sambamurthi amidst cheers opined that an absolute non-violent situation is impossible and to attain the object we must be ready to face some freaks of violence or give up civil disobedience altogether.

Mr. Harisarvothama Rao moved an amendment. He wanted Messrs. Prakasam, B. K. Majumdar and Sambamurthi to report to the Working Committee on the situation.

Mr. Kelkar in a witty speech opposed both the resolution and the amendment and supported his plea by adding that the Working Committee was not willing to undertake any responsibility. To a retort "Go into the Councils" Mr. Kelkar said: "We are chips of the same block and none is better than the other. Those in the Councils have not succeeded nor have they outside the Councils."

Mr. Rangamuda Naidu in opposing the resolution said that the country was not ready for such a movement.

Mr. Kelkar put in an amendment which wanted a deputy to report on the situation deleting the portion congratulating the organisers.

The amendment of Mr. Kelkar was accepted and carried unanimously.

RESOLUTIONS RULED OUT OF ORDER

The President quickly disposed of within a few minutes all remaining items in the agenda including Andhra resolutions for Council walk-out, etc. Mr. Sambamurthi's resolution that Congress Councillors in view of the absence of response from the Government to the national demand should walk out of the councils and devote themselves to the constructive programme at the same time making attendance so as to prevent their seats in the council from being declared vacated was ruled out of order on the ground that it was a direct radical repeal or negation of the Gauhati resolution.

Mr. Prakasam's similar motion was likewise ruled out of order.

Mr. M. K. Acharya's long resolution asking people to devote half an hour every day to secure divine grace and asking Mahatma Gandhi to be appointed Congress Dictator with power to override the Congress and the All-India Congress Committee and the President shared the same fate as the President thought it went fundamentally against the Congress constitution.

Mr. Joglekar's motion seeking to change the Congress creed and constitution on labour and communist lines was similarly ruled out on the ground of jurisdiction.

The President then appealed to Messrs. Kelkar and Bhopatkar not to press Maharashtra proposal regarding Council question and party fusion as negotiations had not been completed.

Mr. Kelkar having agreed, Mr. Annapurniah's resolution dissociating Congress from Council programme was also ruled out as it contravened the Gauhati resolution.

Mr. Sambamurthi's next motion to delete clause relating to compulsory wearing of Khadi as condition precedent to Congress Membership evoked a mild discussion and while Mr. Mahomed Ali quoting his previous decision as ex-President demanded its being ruled out of order, Mr. Mathra Prasad asked the President to take the sense of the House in regard to the matter.

The President refused, remarking amidst laughter that though he was not strong, he was not so weak as to delegate his right of giving a ruling.

The motion was ruled out of order, Mr. Sambamurthi having refused to withdraw it. Several resolutions on the Congress Constitution were also ruled out of order.

12. MADRAS SWARAJISTS AND THE MINISTRY

Mr. Gopal Menon moved a resolution of censure against the Madras Swarajists for giving their active aid in the formation of the Ministry in the Council as a betrayal of the Gauhati resolution. Mr. Gopal Menon said that he was charged by the Kerala Provincial Conference with moving the resolution. He added that it was in the interests of the Congress discipline that he was moving that resolution.

Mr. Govindachari seconded.

There was a great rowdiness at this stage when many speakers stood up simultaneously. On this question the President vacated his seat as he wanted to speak. Pt. Motilal presided.

Mr. Kelkar, in opposing Mr. Menon's resolution, said that the question must be considered as a national problem and the Madras Swarajists should be congratulated on their behaviour. "Don't be obsessed by 'melancholy meanness,' a thing which was never done when all boycotts were violated," he said. Mr. Kelkar here ended saying: "Though there were examples when a responsible leader boasted of amputating diseased limbs we are going to treat Madras with generosity."

Dr. Pattabhi said: "Mr. Kelkar, you have wrecked your vengeance."

Mr. Kelkar, while sitting, said: "I am also a human being and I cannot take such things quietly."

Mr. S. Venkatchalam Chetti justified the Swarajists' behaviour in an able, closely reasoned speech in which he tried to show how the Justice Party was doing injury to national interests.

Dr. Moonje opposed Mr. Menon's resolution. He said: "One of the essentials of politics is to change according to the times and if you go on amputating limbs what will remain?"

Mr. Mahomed Ali: "Soul will remain."

Dr. Moonje asked them not to make a scapegoat of the Congress but to call leaders to account.

Mr. Satyamurti made the most effective speech of the day. He feelingly spoke for seven minutes and converted the majority to his views. "We have done all this in the interests of the nation with a view to subserve national interests. There is no-

body in the land which is more notoriously reactionary than the Justice Party. Remember that if the Justice Party comes into power, the Congress in Madras will be nowhere," he said. Mr. Satyamurti, replying to Mr. Kelkar's retort to ask for provincial autonomy, replied that Mr. Kelkar should sit in conference instead of passing gibes.

Mr. Mahomed Ali blessed Mr. Satyamurti and opined that he would be the first man to amputate a diseased limb if Madras was such and he was sure Mr. Satyamurti would help him and further added that he found consistency in all that Motilalji has done so far. He gave sharp retorts to Messrs. Moonje and Kelkar, saying that fixed principles in politics cannot be changed as on a chessboard.

Mr. Rangiah Naidu opposed Mr. Menon's resolution.

Mr. Nageswara Rao wanted Mr. Gopal Menon to withdraw his resolution.

Mr. Sambamurti moved an amendment demanding an explanation from the Madras Swarajists.

Mr. Hamid Khan supported Mr. Sambamurti's amendment.

Mr. Srinivasa Iyengar said that he was not aware of the full particulars. Still he could say that there was no understanding between the Swarajists and the Ministers.

Mr. Menon withdrew his resolution in favour of Mr. Sambamurti's amendment, which, on being put to vote, was carried by the House.

The amendment refers the question to the Working Committee and wants it to ask an explanation from the Madras Swarajists for the so-called lapse from the Congress resolution. It was carried by the House by a majority.

President's Closing Speech.

The President's closing speech was remarkable for earnestness, patriotic fervour, and sincerity, qualities which enabled him to achieve so much from the heterogeneous elements gathered under the banner of the Congress. It was no use, he said, talking of boycott of Councils until they came to a time when a greater spirit than that of years 1920 and 1921 came over them and they found themselves in the same position to which the people of Egypt and Syria had brought themselves. He asked them not to imagine that the Congress party of the Madras Council would escape the arm of justice if they were found guilty and assured them that he would be the first to take disciplinary action. Referring to civil disobedience the President said he had come to the conclusion that the movement was not fit to be launched by the Congress which was not a sufficiently homogeneous body for that kind of work. He thought it should be in the hands of quite a separate organisation altogether. Proceeding, the President said that the Hindu Muslim unity which they had achieved at this session of the Committee was the greatest thing that they could ever have done and they should rightly congratulate themselves upon it. He submitted that they would be able to achieve communal unity by political unity in the Congress. He would tell this in fairness to his Hindu and Muslim friends who had expected this Hindu-Muslim unity that in was no good thinking that unity consisted in joint electorates and reservation of seats, and it was political co-operation that would bring the two communities together.

The Committee then adjourned 'Sine die'.

The Congress & Madras Swarajists.

Mr. Prakasam's Statement.

The Working Committee's resolution (See page 13) approving the attitude of the Madras Council Congress Party however roused intense opposition from a section of Congressmen who characterised the Working Committee's move as treachery to the Congress cause. Mr. T. Prakasam, member of the Working Committee, who could not be present at the Committee's Meeting said: "When we were called upon to oppose the formation of the Ministry, it cannot be contended that we should be supporting the same Ministry when the effect of that conduct would be to vote even against beneficial measures. That is what has happened in regard to some of the matters in the Madras Council. I do not wish to say more about this now. The reputation which the Congress Council Party attained on account of its weak-kneed policy has been that it is the Hon. Law Member of the Madras Government that controls the Ministry as well as the Congress Party. I do not believe that the Justice Party would have come into power if this Ministry had been defeated or that the Council would have been dissolved as contended by the Madras Council leaders. At the worst, the transferred subjects might have been taken over by the Government. It was merely a threat and bluff of the Justices and Ministerialists. The Congress Party were taken in but the consequences have been of a very far-reaching character. The Ministry gained strength and moral prestige and the Congress Party was demoralised. Congressmen were found at the doors of some of the Ministers at all hours of day and night waiting to get some of their own men nominated for taluq and district boards and some other favours. Sometimes Congressmen themselves put up rival candidates for nomination before the ministers. I am sorry that the Andhra Province to which I belong has come in for a good share of shame and dispute in this connection. The Deputy Leader of the Party, Mr. Satyamurti, gave a dinner to the Chief Minister in his own house just before he left for the hills at which seven members were present and there was a discussion on what terms the Congress Party should co-operate with the Ministers.

"I should not have considered it necessary to go into these details at this stage but for the fact that the resolution of the Working Committee passed on Wednesday is not only *ultra vires* but substantially accepts what was demanded by the Maharashtra Provincial Congress Committee and what was virtually ruled out of order by the A. I. C. C. The Maharashtra Congress Committee wanted to delete clauses (a) and (b) of the Gauhati resolution and retain clauses (c) (d) (e) and (f). This they could not get in the A. I. C. C., but the Working Committee on its instructions made a free gift of the same."

Mr. Sambamurti's Statement.

Mr. B. Sambamurti said that it was gross treachery to the A. I. C. C. to pass this resolution after an amendment had been passed at the A. I. C. C. meeting the same afternoon at the instance of the President of the Congress himself. He added: "I can only say that the President hurried the matter in an indecent fashion only in his anxiety to finish up the matter finally and to put forward before the country under cover of instructions a formula which he wanted to arrive at with the Responsivists as compromise. By a master stroke of diplomacy, the situation was availed of by the President to go beyond even the letter and spirit of the Gauhati programme and postulate his dictum that clauses (c), (d), (e) and (f) of the Gauhati resolution should hereafter be worked out in co-ordination with other parties in the Councils. This can only be done in co-operation with Ministers that have already been appointed. This is really an achievement of the political unity of which the President had been so recently talking. It would have been more straightforward and honest if the Maharashtra and other proposals before the A. I. C. C. for considering the Gauhati programme from various aspects had not been ruled out of order and had been given an opportunity of being discussed and considered by the A. I. C. C. The A. I. C. C. will not certainly allow this suppression of its powers

hereafter by the Working Committee. The wrong, which has been done to the country, I hope, will be righted shortly at the next meeting of the A. I. C. C. I hope the next meeting will not be held later than the end of the next month."

Mr. S. Iyengar's Statement.

Apropos the above statement of Mr. T. Prakasham and others as well as the manifesto issued by them in the *National Herald* questioning the legality of the resolution of the Working Committee as regards the Madras Swarajists, Mr. S. Srinivasa Iyengar, President of the Congress, issued the following statement to the Press:—

"After the termination of the All-India Congress Committee's proceedings the Working Committee met to consider what could be done in connection with inter-party unity so far as Congress is concerned. This has been engaging the anxious attention of every one and I am glad that I have received a wire from Maulana Abul Kalam Azad, amongst others, urging political unity. For, in my opinion, without some atmosphere conducive to restoration of Congress unity the Hindu-Moslem resolution could not be completed by settlement of two outstanding questions and implemented so as to make it a living measure of co-operation between the two great communities. If I have advocated unity in the Congress I have done so entirely for the purpose of achieving Hindu-Moslem unity. The coming months will show whether the spirit and purpose of political non-co-operation with the Government and the bureaucracy is not my inflexible attitude.

"Consistent with the Ganhati resolution in its judgment the Working Committee issued instruction, to the parties in the Councils which retain the refusal to accept office in clause (a) and the duty to destroy dyarchy whenever possible. The Working Committee was entitled to issue the instruction; but it is quite open to the All-India Congress Committee to put a different interpretation on the Ganhati resolution, if it considers that its duty requires it to do so. I trust the All-India Congress Committee will not do so and will support the interpretation of the Working Committee. This was the main business of that meeting; but as the general instruction issued by the Working Committee applied to Madras as well and as the leader of the Madras Congress Party in the Council wanted explicit instruction from the Working Committee, the latter after hearing him and others and after considering everything passed the resolution. The Working Committee was entitled to pass it in exercise of its own powers and as its own opinion without interfering with the authority or freedom of opinion of the All-India Congress Committee. Written explanations from those representing the majority of the Madras party of their action in the Madras Council will be taken and submitted to the All-India Congress Committee at its next meeting along with this opinion of the Working Committee.

Simply because feeling runs high in some quarters it should not be taken that there was any intention on the part of the Working Committee to give the go-by to the resolution of the All-India Congress Committee. If them after had been delayed the members of the Working Committee would have dispersed the opportunity of personal exchange of views on the important question of the inter-party unity of which the resolution relating to Madras Swarajists was but a corollary. Whether the resolution should have been immediately published and how it obtained publication in *The Times of India* are matters with which I am not concerned; but they should not affect the propriety of the action of the Working Committee or should cloud the judgment as to the intention of the Working Committee to deal with the question without in the slightest degree affecting the authority of the All-India Congress Committee to declare its own interpretation and to express its opinion upon the explanation of the Madras Swarajists, which will be submitted in due course."

Mr. Rangaswami Iyengar's Statement.

Mr. A. Rangaswami Iyengar, General Secretary, Indian National Congress, issued the following statement:—

"I must say that I am extremely surprised at the statement issued by Messrs. Prakasham, Sambaswamy, Horniman and others taking objection to the resolutions passed by the Working Committee at Bombay.

"It seems to me ridiculous to contend that because the A. I. C. C. asked the Working Committee to obtain the explanations of the Madras Council party, and place the same before the A. I. C. C. at its next meeting for its consideration,

therefore the powers as well as the duties vested in the Working Committee by the Congress itself under the Gauhati and Cawnpore resolutions have been taken away. Much less should it be possible to contend that the Working Committee as a body is deprived of its elementary rights of recording its own opinion on matters in which every member of the Congress is entitled to express an opinion. The resolution of the Working Committee on the conduct of the Madras Swarnajists is an expression of its opinion and is expressed as such in the resolution itself. It is indeed contended that the Working Committee should not form an opinion and should not and could not place its opinion also for the consideration of the A. I. C. C.

"The other resolution passed by the Working Committee in regard to the attitude and conduct they should adopt as to the Ministries that are functioning in different Provinces and in respect of measures brought before the Council, which come under clauses (c) to (f) is an instruction which the Working Committee found it urgent to issue in view of the differences of opinion that have admittedly arisen and upon which the Congress Council parties in Provincial Legislatures were entitled to seek the guidance and instruction of the Working Committee.

"The Working Committee is bound by the election pledges it has taken from members and by the express directions of the Cawnpore Congress, the A. I. C. C. and Gauhati Congress to issue instructions from time to time to the party. It is no doubt perfectly open to the A.I.C.C. to modify or supersede such instructions but until this is done the Working Committee's acts are not open to question and I am surprised that Mr. Prakasam should describe them as *ultra vires* merely for the reason that his view of the instructions that could be issued may differ from that of the rest of the Working Committee."

"It is indeed a bitter irony that while Mr. Kelkar denounces the Working Committee for having refused to accept the responsivist programme and lays the responsibility solely at Pandit Motilal's doors, the Andhra and Bombay friends who have issued the statement should blame the Working Committee for having accepted the programme. I hope that Mr. Kelkar would at least have got out of the temper that he got into both in the A.I.C.C. and Pandit Nehru has gone as far as in his judgment was consistent with the Gauhati resolution for the promotion of co-operation and unity between the two wings. Mr. Kelkar can also hardly have forgotten the fact that even if the Working Committee had described to adopt the Responsivist programme definitely conceding liberty to accept office in any province or province on the basis of provincial autonomy, the difficulty was felt throughout of reconciling any such proposal with the Gauhati resolution. In the face of this it seems to me that Mr. Kelkar has been led to carry personal prejudices too far in imputing sole responsibility in the matter to Pandit Nehru and ungenerously insinuating a motive therefor.

"As for Mr. Horniman's complaint about the supply of news to 'The Times of India', I am afraid that in spite of his journalistic experience he is trying to saddle the blame on the wrong horse for the omission of 'The Indian National Herald' to publish the news earlier. Apparently his reporting staff have not been as enterprising or alert as that of the Associated Press of India or 'The Times of India'. The meeting of the Working Committee in the afternoon of Wednesday was openly announced in the meeting of the A.I.C.C. that morning and the representatives of the Associated Press of India and 'The Times of India' were there outside the closed room of Mrs. Naidu at the Taj for hours to get at some 'copies' of the resolutions as indeed they did on all the days of the Working Committee meetings in order to get such copies as would be available to the press. As General Secretary, I handed over a copy of the two resolutions to the Associated Press of India and had every reason to presume that they would supply the news to all papers in Bombay and all other centres of India. As a matter of fact no representative of 'The Indian National Herald' ever asked me for copies during all the four days of the proceedings of the A.I.C.C. and the Working Committee in Bombay."

Mr. S. Satyamurti's Statement.

Mr. S. Satyamurti, deputy leader of the Madras Swarnaj Party issued the following statement to the press :—

"Mr. Prakasam must now be happy. He has delivered himself of his tirade against Madras Council Congress Party. I do not propose to imitate him but I merely want to correct the misstatements contained in his interview to the press at Bombay.

"The Working Committee can and will take care of itself as against Mr. Prakasam's

attempts thereon. As against Mr. Prakasam's one-sided statement that Mr. Muthiah Murlaliar was not called on to speak, I desire to say that Mr. Semi Venkatachalam Chetti was run down in the course of his speech, that I was given only five minutes and that several members of the A.I.C.C. who entirely approved of the action of the Madras Council Congress Party and who rose several times were also not allowed to speak.

"Mr. Prakasam's statement about the Council Congress Party in Madras that we have voted against beneficial measures for the purpose of supporting the Ministry is wholly incorrect. We have never voted against beneficial measures; we have never voted with the Government. On the question of excise we carried a vote against the Government. On the question of the rejection of the entire demand we remained neutral after having made our position perfectly clear on the token cut. On the question of reduction of registration fees our motion was withdrawn on a distinct and satisfactory assurance from the Minister but we did not vote against the reduction. We only remained neutral.

"Mr. Prakasam must know his facts before he attacks other people. The statement that the Law Member controls the Congress Party is a figment of Mr. Prakasam's imagination. It was the Congress Party which voted down 5 lakhs of Sir C. P. Ramaswami Aiyar's Police demand. It was the Congress Party which drew out some of the scandals connected with the Mettur project. It was the Congress Party which pressed for Mr. Narayana Menon's release and for the release of Mopilla prisoners.

"Rhetoric, Mr. Prakasam must know, cannot take the place of facts. Mr. Prakasam's ex cathedra opinion that if the present Ministry is defeated the Justice Party would not have come into power but the transferred subjects would have been taken over by the Government is not based on knowledge of facts. The Party's opinion and my opinion was and is that either the Justice Party would have come into power or the Council would have been dissolved.

"Had Mr. Prakasam stopped with this I would not have cared to reply but he has chosen to attack me vulgarly. Let me state the facts. I did not give a dinner to the Chief Minister. There was a breakfast at my house at which Messrs. K. Nageswara Rao, A. Kalewara Rao, V. Ramadass, all as true-blooded Andhras and patriots as Mr. Prakasam, and Dr. U. Rama Rao, Messrs. Semi Venkatachalam Chetti and A. Rangaswami Iyengar were present. Dr. Subbarayan was one of the guests. Dr. Subbarayan is a very old friend of mine. I was his tutor at the Madras Christian College. We have since been thrown together often at the Bar, at the Senate, in the Council and in England year before last. If at a dinner attended by so many friends he was also one of guests I do not know what resolution of the Congress or what canon of Indian or English, social or political etiquette, I have offended. There were only three members of the local Council present. There was a discussion no doubt on political topics but it was not, as Mr. Prakasam asserts, evidently from clairvoyant knowledge, as to the terms on which the Congress Party should co-operate with the Ministers; rather the discussion was how the Ministers and their party may come into the Congress gradually. I do not believe in political untouchability any more than in social untouchability and even Mr. Prakasam I will dine with several times, if I can thereby get him to take a sane and practical view of politics.

"I regret that Mr. Prakasam should have so far forgotten his responsibilities as a journalist and as a public man as to indulge in his attack on me. I know it cannot harm me; it will only recoil on him, but his lowering of political standards should not be tolerated by the public."

Mr. Prakasam's Counter-Statement.

Mr. T. Prakasam subsequently issued the following counter-statement to the press:—

"In my first statement to the Press in Bombay I stated that the Working Committee would not have committed such a serious error, if it had noticed the scope of reference embodied in the amendment of Mr. Sambamurti, and I had hoped that the President of the Congress might revoke the instructions when his attention was drawn to it by my statement. But Mr. Srinivasa Iyengar justifies the position taken by him and the other four members of the Working Committee on the ground that the Working Committee was at liberty to express its own opinion and publish it pending the decision of the All-India Congress Committee. The Working Committee would certainly have been entitled to express its opinion and issue instructions to the Congress members in the Provincial Councils if the censure motion had not been moved before the A. I. C. C. and the same had not been

adjourned to another session of the A. I. C. C., the Working Committee being in the meanwhile called upon to take the explanation of the Madras leaders and send the same to the A. I. C. C. for disposal at its next meeting. To understand whether Mr. Srinivasa Iyengar's position is correct, one must examine the circumstances under which the reference was made and also the scope of authority of the Working Committee. The full scope of reference is embodied in the amendment of Mr. Sambamurthi which reads: "That this Committee authorises the Working Committee to call for an explanation from the Madras Council Congress Party for not having voted down the salaries of Ministers and refused supplies so as to overthrow the Madras Ministry and submit the same for consideration at the next session of the Committee."

"This amendment was moved by Mr. Sambamurthi at the request of Mr. Srinivasa Iyengar, and Mr. Srinivasa Iyengar told me also that we should not carry this motion to a division but that it should be talked out or adjourned to the next meeting as proposed by Mr. Sambamurthi in his amendment. The amendment was accepted after Mr. Srinivasa Iyengar had given an undertaking that we both should inquire into the truth of the pleas raised by the Leader and Deputy Leader of the Madras Council Party. He also said in the same speech that the members of the A. I. C. C. should realise the seriousness of the question in all its aspects, that he had not been in full touch with the work of the Madras Council Party, that he had heard complaints that it was cooperating with the Government too much, and that they must look into it if that was so. Mr. Srinivasa Iyengar in conclusion asked the House to accept the amendment of Mr. Sambamurthi. The amendment was then carried as a substantive proposition. It was about 12 noon on the 18th, just before the close of the A. I. C. C. session, that Mr. Srinivasa Iyengar made this appeal to the House to accept the amendment and postpone that discussion.

"The Working Committee, after the close of the A. I. C. C. session, met at 2-30 p. m. on the same day. When it was announced that the Working Committee would meet at 2-30 p. m., I asked Mr. Rangaswami Iyengar whether there was anything special to be discussed. He said that the question of the explanation of the Madras Councillors might come up. I told him that there was nothing to be done by the Working Committee beyond taking the explanation, and that I could not attend the meeting as I was not feeling well. Under the circumstances I had no reason to believe that the Working Committee was at liberty to express its opinion or would attempt to express it in the manner in which it has been done. I was living in 'Sirdar Griha' where both Dr. Moonje and Mr. A. Rangaswami Iyengar, the General Secretary, were also staying. There was a telephone message to Dr. Moonje at about 3 p. m. that he should go to the Working Committee meeting. Dr. Moonje happened to meet me before getting down the stairs and questioned me whether I was not also going. I said that there was nothing much to be done after the amendment of Mr. Sambamurthi had been accepted and after all our efforts to come to an understanding on the question of unity had proved abortive. When I read the resolution of the Working Committee in "The Times of India" the next morning I felt that the Working Committee might have at least asked me on the telephone before adopting the resolution. I was greatly surprised to read those resolutions and I could not believe that the Working Committee would have consciously passed such resolution. That was why I said in my first statement that the Working Committee might have been under a misapprehension as to the scope of their authority. But we are now told that there was no such misapprehension. I could not help issuing a statement to the Press having regard to the fact that clauses (a) and (b) of resolution (B) of the Gauhati Congress have been virtually abrogated in the form of these instructions, after every effort on the part of the Working Committee to arrive at a common basis for unity between the Congress Party and the Responsivists had failed and after the resolution of the Maharashtra Provincial Congress Committee was withdrawn at the request of the President, that the negotiations between the two parties brought forth no satisfactory basis of agreement and that, if they did arrive at a decision it would be placed before the next meeting of the A. I. C. C. I hope on a perusal of all these facts and the sequence of events the President will see that a serious mistake was made in issuing such instructions and that he will endeavour to revoke such instructions even without the necessity for calling a special session of the A. I. C. C. for this purpose. It would have been more satisfactory, and a basis for real unity would have been found, if the resolution of the Maharashtra Provincial Committee had been allowed to be considered by the A. I. C. C. and a decision had been arrived at what could not be done by the A. I.

C. C. can certainly not be accomplished by the Working Committee and that in the form of "instructions" at a meeting at which only five members of the Working Committee were present. If the President thinks that the Working Committee was justified in creating such a situation, I would suggest a special session of the A. I. C. C. or even a special session of the Congress, to decide the all important question of Hindu-Muslim unity inside the Congress. In my humble opinion it is much better that the Congress should consider the present situation and decide in favour of acceptance of office, if it is so inclined than supporting a Ministry which has no party or following in the Council or in the country, and which in the terms of the Congress resolution are were bound to oppose at its formation and overthrow whenever we could snatch an opportunity, and which the Provincial Congress Council parties are now called upon by the Working Committee to support as long as it serves our purpose and turn down the moment we feel secure that some other anti-national party would not come into power.

"As regards the apprehension of the Madras Congress Council leaders, that the Justice party might have come into power, if they had turned down the present ministry, I would like to point out that in a speech delivered by the Raja of Panagal at a public meeting at Soundary Mahal on March 15th he said that his party would not accept office in the present Council. "Justice", the accredited organ of the Justice party in its issue of March 16th, declared also that that party would not take office in the present Council and that the leaders of the party had made the position clear in public meetings. This was also stated by Mr. M. Krishnan Nair as President of the Tanjore Non-Brahmin Conference on May 7th. As for the dissolution of the Council the Government will only act up to the conventions it has created so far, and no such dissolution could have been possible with a Ministry that has no following of its own and with the irresponsible constitution given to India under the Montford Reforms.

"Mr. Satyamurti is very angry. Referring to my statement that there was a dinner given in his house to the Chief Minister and that the terms of co-operation were there discussed, Mr. Satyamurti, while admitting the dinner and the discussion of political topics, was good enough to say I was vulgar. If stating a fact is vulgar, I must plead guilty. He devoted a paragraph to suggest that I was opposed to his giving a dinner to a Minister as a friend and as an old student. I never suggested that any social dinners to the Ministers or even to Government members, unless prohibited by Congress policy, were objectionable. Mr. Satyamurti says that it was not a dinner but "breakfast". I thank him for the correction. May I state below some of the topics of discussion at this "breakfast".

(1) Whether the Chief Minister would agree to reduce excise to revenue by at least 25 lakhs this year.

(2) Whether the Chief Minister would agree to the amendment of the Local Boards Act by removing the District Boards altogether and retaining only the Taluk Boards.

"As regards Mr. Satyamurti's statement that they did not vote against or remained neutral on any beneficial measure I propose to deal with some of them in detail in a subsequent issue. I am very sorry for the present controversy. With a view to avoid conflicts, I refrained from stating anything in the press or even in public meetings because I always hoped that these differences in the Congress party, both in the provincial councils and the Assembly, might be settled after a frank and heart-to-heart discussion in the A. I. C. C. Under the circumstances I feel compelled now to deal with the question in the press with a view to take effective steps to formulate a definite programme and policy for the Congress either forward or backward."

The Hindu-Muslim Unity.

In a fervent appeal issued by Mr. S. Srinivasa Iyengar, President of the Congress, on the eve of the dissolution of Assembly in New Delhi, considerable emphasis was laid by him on the need for both political and communal unity. The consequences of division among non-official ranks of the Legislative Assembly impelled him to warn his countrymen of the danger of allowing things to drift. Mr. Iyengar called upon all parties in the country to gather under the banner of the Congress, so that the nation's efforts to march to the goal of Swaraj may attain fruition quickly. The following is the text of the statement issued by him :—

Mr. Srinivasa Iyengar's Appeal

"Now that the Delhi session of the Assembly is coming to a close, it is more than ever clear to my mind that unless control of the Congress over the people is increased in all provinces and on a nation-wide scale as it was before our unfortunate differences arose we may not be able to force the Government to come to terms. Mahomedan members of the Assembly as well as public-spirited Mahomedans outside are as anxious for a settlement as many of us are. But there should be greater expedition and determination on both sides to come to some agreement. I hope that before we leave Delhi we may be able to arrive at some provisional agreement. At least I am not less anxious for fusion of all parties in the Congress and the country also expects that we ought to have a reunited Congress. I am glad that the Nationalist Party has co-operated with the Congress Party materially and has as far as possible carried out the Gauhati resolution. The success would have been much greater but for Mussalman members of the Assembly going into the Government lobby on some critical occasion in connection with the Currency and Steel Bills. That the Assembly should have agreed to British preference and thrown out 1s. 4d ratio is a most deplorable circumstance but it only serves to demonstrate the need for greater self-effacement on the part of all concerned in bringing about unity. Mr. Jinnah's speech at the army debate was perhaps the best speech of the session and that Mr. Jayakar should have moved omission of the demand under the head "Executive Council" delighted me. Most members of the Congress have taken keenest interest in studying several subjects and have shown considerable capacity and power in the debates. Figures and finance were handled with skill as well as principles and broad policies and there was high patriotic emotion inspiring their speeches. There were many speeches on behalf of the Congress Party and whatever superior persons in the European official and non-official blocks may say, Congress prestige and Congress honour have been more than vindicated. The army debate revealed to me the fact that Indians are united on a demand for an indigenous army even more than upon political Swaraj and this is the most conclusive test of our desire and capacity for Swaraj. Unofficial members have been more businesslike and bitter experience of years is slowly teaching us the need for determination and hard-headed alertness.

"It is refreshing to find the Council of state visibly changing to a more patriotic and national outlook. Sir Alexander Muddiman told us that those who lived the frog should make friends with the crocodile. I have every faith that we shall soon be crocodile and our opponents will have to make friends with us. I have not been able to see either at Delhi or at Aligarh such cultural differences as must divide Hindus from Mussalmans. Indian heart beats insistently and generously and calls for immediate removal of misunderstanding. I appeal to members of all parties, both political and communal, to unite without further delay. There is so much to do and so much to be gained by union and every day we are losing so much by our differences and dilatoriness. I appeal to Congressmen and others to organize the Congress on an efficient and self-supporting basis in all provinces. The Con-

gress cannot afford to mark time nor to merge itself merely with the Assembly and Council parties but must forthwith become as it was in the days of 1920-22 nation-wide, vibrant and dynamic force radiating goodwill, real and self-controlled unity all round. I have no doubt in my mind that if we organise and bestir ourselves, Mahatma Gandhi and his great organisation and greater leadership will soon be available to the Congress as before in the achievement of a common political purpose."

PARTY MEETINGS IN DELHI

The Hindu members of the Congress Party in the Assembly met on the 17th March in New Delhi to exchange views on the directions in which modification of the existing system of communal representation was desirable. The meeting was of a private nature and no decision was arrived at though there was unanimity of feeling on the broad aspects of the question.

Some Muslim leaders also met at Dr. Ansari's house on the same day and felt their ground on the same subject. The Nationalist Party too discussed the same question in the light of their party's view on the subject. Lala Lajpat Rai's party also proposed calling a meeting of all the Hindu members of the Central Legislature, both elected and nominated, on the 23rd.

The Muslim Proposals.

Two days after, on the 20th March, about 30 prominent Muslim leaders belonging to various groups met at the Western Hostel and discussed for six hours the question of modification of the existing communal representation. They included Mr. Jinnah, Maharaja of Mahmudabad, Sir Mahomed Shafi, Sir Abdul Qaiyum, Dr. Ansari, Maulana Mahomed Ali, Raja Ghaznafar Ali Khan, Maulana Mahomed Yakub, Mr. Shafee and the Imam of Jumma Musjid, Delhi. Mr. Jinnah who presided read out to the meeting five tentative suggestions sent to him by Mr. Srinivasa Iyengar as possible alternatives to the existing pact. These were mostly based on the plea, for a joint electorate. The Muslim leaders gave expression to individual views discussing what modification they held desirable. The recent discussion in the Council of State (See p. 239) was frequently referred to. Various views were expressed by the speakers.

After a protracted discussion, the Conference agreed to the institution of joint electorates, under certain conditions. It was unanimously resolved that—

"Mahomedans should accept the settlement on the basis of the following proposals, so far as representation in the legislatures in any future scheme of constitution is concerned :—(1) Sind should be separated from Bombay Presidency and constituted into a separate province. (2) Reforms should be introduced in N. W. F. Province and in Baluchistan on the same footing as any other province in India. In that case, Mahomedans are prepared to accept joint electorates in all provinces so constituted and are further willing to make to Hindu minorities in Bengal, the Punjab and N.W.F. the same concessions that Hindu majorities in other provinces are prepared to make to Mahomedan minorities. In the Punjab and Bengal, the proportion of representation should be in accordance with the population. In the Central Legislature, Mahomedan representation shall not be less than a third and that also by mixed electorates. These are subject to ratification by Mahomedan organisations concerned; but it is hoped by those present at the Conference that Hindus will accept and Mahomedans will ratify them. The question of the services

and other questions with regard to safeguards concerning any bill or resolution which might affect religion or custom or usage of either community or affecting inter-communal interests were also discussed by the meeting but postponed for further consideration and will be taken up if on the main proposition there can be unanimity of opinion."

CONGRESS WORKING COMMITTEE'S VIEWS.

The above decision in respect of joint electorates in the forthcoming constitution was considered by the Congress Working Committee at its meeting in New Delhi on the 21st March and it appointed a sub-committee to discuss details; but the Committee recorded satisfaction on the whole at the resolution of the Mahomedans. The Working Committee was attended by Messrs. S. Srinivasa Iyengar and A. Ranga-swami Iyengar, President and Secretary, respectively of the Committee, Pandit Nehru, Mrs. Sarojini Naidu, Dr. M. A. Ansari and Mr. Prakasam.

The following resolution was unanimously passed on the electorate question :—

"The Working Committee considered the report of the informal conference of the representative Mahomedan gentlemen from all parts of India together with the proceedings at the meeting of the Hindu Members of the Congress Party during the last week. The Committee cordially appreciates the decision arrived at the Muslim conference to accept the institution of joint electorates all over the country with reciprocal concessions in favour of the minorities. The following sub-committee was constituted to discuss details with the representatives of the Muslim conference and of the Hindu community :—Mrs. Sarojini Naidu, Pandit Motilal Nehru, Mr. S. Srinivasa Iyengar and Maulana Mahomed Ali. The Committee trusts that upon this basis a satisfactory settlement of the differences between the Hindus and Mahomedans will be speedily effected."

HINDU MEMBERS' VIEWS.

The Hindu members of the Central Legislature met on the 23rd March under the presidency of Pandit Malaviya to consider what should be the basis of discussion between the leaders of the Hindu and Muslim communities on the subject of their representation in the legislatures of the country. The proposals put forward by the leaders of the Muslim community were considered. The following principles were generally accepted by the meeting as the basis of discussion :—

"(a) Joint electorate for all legislatures throughout the country; (b) reservation of seats on population basis in all legislatures throughout the country; (c) safeguards for the protection of religious and quasi-religious rights to be provided for in the constitution; (d) question of redistribution of provinces on linguistic and other essential bases to be left open for consideration."

A Committee consisting of representatives of all provinces was appointed to frame definite proposals after consulting Hindu opinion and to make an early report.

THE "HINDUSTAN TIMES" COMMENTS.

The *Hindustan Times* which is conducted by Hindu leaders like Pandit Malaviya and Lala Lajpat Rai commented at great length on the Muslim proposals remarking that the spirit behind the proposals was one of "heads I win; tails you lose." The paper wrote :—

"In what way is the establishment of joint electorates connected with the separation of Hind and the introduction of reforms in Baluchistan or N. W. Frontier? Muslims feel that in conceding to Hindus the principle of joint electorate they are entitled to expect as a price of this concession more power in Sind, Baluchistan and

N. W. F. province where they constitute an immense majority. We, however, desire to make it clear once for all that Hindu Nationalist leaders are not asking for joint electorates, because thereby there is any likelihood of any increase in the power of Hindus in India, but because joint electorates, while fully protecting the legitimate interests of all minority communities, will help in the growth of a spirit of nationalism, in eliminating rather than emphasising the differences prevailing between the different sections of the population in the country."

Proceeding, the paper observes: "If Muslims desire separation of Sind to insure their dominance in one province there are Hindus who would like to re-adjust the boundaries of Bengal and Punjab to eliminate Muslim majorities from these two provinces. If the former are justified in urging their claim, in what way are the latter not justified in pleading for theirs? It must, however, be understood that redistribution of the provinces should be undertaken if it is at all undertaken at any time not to establish or destroy majorities, but facilitate administration of certain areas and if separation of Sind is necessary to achieve this end. Muslims may feel sure that Hindu leaders will have no hesitation in agreeing to their wishes. But if this separation is asked for merely to serve a sectional purpose, even Muslims must admit that if they can justify separation of Sind on communal grounds, why cannot Hindus ask for readjustment of Punjab and Bengal to suit a communal purpose. The object Muslims have in view is to obtain as much as they can and concede as little as possible."

Concluding the paper remarks: "We cannot but condemn the spirit of petty bartering that has inspired the resolution and feel amazed that such leaders as Dr. Ansari, Maulana Mahomed Ali and Mr. Jinnah should have appended their signatures to it. If Muslims agree to joint electorates, we can assure them that Hindu leaders will be prepared to meet them half way in other things and will be prepared only too gladly to concede reasonable and legitimate demand of Mahomedans and to consider in exactly that spirit the questions of Muslim representation in the Assembly, of separation of Sind, and of the introduction of reforms in the Frontier and Baluchistan."

PUNJAB HINDU SABHA'S RESOLUTION.

The Punjab Hindu Sabha on the 23rd March passed a resolution denying the Indian National Congress any *locus standi* to represent the Hindu community in negotiations with Muslim organisation and declaring that any settlement arrived at would not be binding on Hindus and that the Hindu Maha Sabha was the proper body to deal with such matters.

THE SIKHS ON MUSLIMS' PROPOSALS.

On the 25th March Sardar Mangal Singh, General Secretary, Central Sikh League, addressed the following letter to the President, Indian National Congress:—

"There is a consensus of opinion among the Sikhs that the principle of communal representation is harmful to the healthy growth of nationalism. They are, therefore, in favour of entire abolition of this vicious principle which is only possible if Mahomedan friends realising its harmful effects on our body politic see their way to give it up altogether. In this connection I am glad to read in the press that our Mahomedan friends have taken a step in the right direction in agreeing to have joint electorates. It would have been better if they had courageously stood for joint electorates with no reservation of seats. But under the circumstances joint electorates with reservation of seats should be welcomed. For this Mahomedan leaders deserve the sincerest thanks of all well-wishers of India. It would have been better if the matter had ended here. But they have proceeded further and have laid down certain conditions precedent to its acceptance on which I am afraid opinions may differ. For instance, we will have to meet with great difficulties in the Punjab. There are three instead of two major communities for which we will have to make provision for their adequate representation. The Mahomedan friends have been very generous in laying down that they are prepared to concede the same protection to non-Muslim minorities in Sind, N. W. F. and Baluchistan as is afforded to Muslim minorities in other provinces. But they carefully leave out of it the case of Punjab. What about the Sikhs? I ask, are they not an important minority in the Punjab like the

Muslims in Bihar or the United Provinces? If so, then what treatment will be meted out to them under the new dispensation? The authors of the Montagu scheme have carefully recognised this fact and have consequently recommended retention of separate communal representation to them. In the Lucknow Pact, 1918, the Sikhs were left out of it altogether which had a disastrous effect on the national movement among the Sikhs. Both Mahatma Gandhi and Lala Lajpat Rai had to assure the Sikhs that proper attention will be paid to the claims of the Sikhs at the time of future readjustment of political relations between the different communities. I assure you that Sikhs will not stand in the way of national unification of India. On the other hand, they will do their utmost to accelerate it all. What I wish to impress on you is the fact that special conditions prevailing in the Punjab should be taken into consideration and adequate representation be provided for the Sikhs. It is needless to say that the Sikhs are an important minority with a very large stake in the country."

In a subsequent statement to the press on the 26th April, Sardar Mangal Singh said that both Hindu and Muslim formulas for settlement of the communal problem were defective. The former ignored all minorities while the latter ignored the Sikh and Hindu minorities in the Punjab and Bengal and neither of them solved the Punjab tangle which was the crux of the whole problem. He suggested a third formula which was more practical and solved the problem. It was briefly as follows.

"(1) Joint electorate. (2) adequate protection for minorities by reservation of seats wherever minorities demand it. (3) the proposal of the creation of new provinces on linguistic and cultural basis may be considered on its merits and reforms should be demanded for N. W. F. and other new provinces. If agreed to, this solves the situation in a way not unfair to any party; for it gives protection to minorities only and the Sikh and Hindu minorities will not demand any separate rights in both Bengal and the Punjab which means that communal representation will be virtually abolished in these provinces. The underlying idea of this formula is no protection for majorities. They should be able to protect themselves. It also meets Muslims half way. As regards creation of new provinces let Muslims be assured that non-Muslims will not oppose the introduction of reforms in N. W. F. and all other provinces. If agreed to, the Hindus should be prepared to give adequate protection to Muslim minorities wherever they feel that they should be protected, unless they themselves realise like the Sikhs and Christians that communal representation is harmful to the best interests of the minorities themselves, because in that case communal consciousness is awakened amongst the majorities as well.

MR. JINNAH ON THE SCHEME

In a statement to the Associated Press on the 29th March Mr. M. A. Jinnah explained that the Mussalman leaders' offer to the Hindus was not fully appreciated both by the Hindus and Mussalmans. He made it clear that the offer to accept a settlement on the basis of proposals made therein was subject to what he would call conditions precedent before the Mussalmans would be prepared to accept joint electorates with reservation of seats. These conditions are a *sine qua non*;

(1) That Sind should be separated from Bombay Presidency and constituted into a separate province, (2) that the Reforms should be introduced in the North-West Frontier Province and Baluchistan on the same footing as any other province in India and that Hindus would agree to support this demand of the Mussalmans. It is only in the event of these conditions being accepted that the Mussalmans would agree to joint electorates with reservation of seats in all provinces, and make concessions to Hindu minorities in the matter of the number of representatives in the three provinces of Sind, North-West Frontier Province and Baluchistan as Hindu majority provinces would be prepared to make to

This matter of concessions can be discussed and settled by responsible committees that may be appointed by the two communities respectively. In Punjab and Bengal, the proportion of representation should be in accordance with the population; in other words, mixed electorates with the reservation of seats according to population. In the Central Legislature Mussalmans' representation should not be less than one-third, also through mixed electorate with reservation of seats.

This offer is inter-dependent and can only be accepted or rejected in its entirety. The Hindu leaders have in their meeting held in Delhi on 23rd March 1927 appointed a Committee consisting of representatives of all provinces to frame definite proposals after consulting Hindu opinion and make an early report. I therefore trust that the country will give the fullest consideration to the offer that is made without any heat or passion being created and in a calm and impartial atmosphere. I may point out that in this offer, which is far-reaching, the most notable feature is its recognition that separate electorates can only be got rid of by a thorough adoption of the system of give and take. I trust that it will be criticised in a spirit of toleration. The question of separate or mixed electorates is after all a method and a means to an end. The end in view is that Mussalmans should be made to feel that they are secure and safe-guarded against any act of oppression on the part of the majority, and that they need not fear that during the transitional stage towards the fullest development of national Government the majority would be in a position to oppress or tyrannise the minority, as majorities are prone to do in other countries.

It must be recognised that under the circumstances and prevailing conditions it is essential that the political equipoise must be maintained. It is to maintain this balance that Mussalmans have taken a simple and juster method with the reciprocity clause. If this main-proposition were accepted by Hindus, then I feel that it will lead to a hopeful atmosphere and settlement is within reach. I am personally not wedded to separate electorates, although I must say that the overwhelming majority of Mussalmans firmly and honestly believe that that is the only method by which they can be secure. I think there are advantages and disadvantages in a system of separate electorates. Yet I am not prepared to subscribe to the view that separate electorates will constitute an effective bar to the growth and development of representative government. On the other hand I cannot say that the acceptance of mixed electorate system is free from objections under prevailing conditions or that it will create complete Nationalism the next day. The question, therefore, of a system of separate or mixed electorates is, as I said before, more a question of methods and means to an end.

Therefore, the real issue is how to give a real sense of confidence and security to the minorities. Other questions, namely formulae regarding the share of Mussalmans in the service of the country, safeguards in legislatures against bills and resolutions which may affect religion, custom, usage, or inter-communal interests and the question regarding other elective bodies can I think be solved if the major proposal contained in the offer be agreed upon. As soon as I receive a definite answer to the offer from the Hindu leaders, the next step I would like to take would be to call a meeting of the members of the Central Committee of the All-India Muslim League, the Committee appointed by the Khilafat Conference, the executive members of the Jamiatul Ulama, the Muslim members of the Council of State and the Assembly, at an early date and may form a small Committee at this meeting with a view to discuss other matters with the Committee or Committees that the Congress, Mahasabha and other political organisations in the country may appoint, and then any settlement that may be finally arrived at by these Committees would of course be subject to ratification by the various organisations of the country, both Hindu and Mussalman. I may in conclusion say that no time should be lost in bringing about a speedy settlement at this critical juncture.

MADRAS MUSLIM M. L. C.'S OPPOSITION.

The following statement signed by ten Muslim Councillors of the Madras Council was communicated to the Press :—

"At a meeting of the Muslim members of the Madras Legislative Council held on the 28th and 30th March to consider the question of joint electorates tentatively agreed upon by Muslim leaders of Northern India subject to certain conditions being fulfilled, we, the undersigned, after careful consideration of the full significance of joint electorates have come to the conclusion that, under the present circumstances,

joint electorates for Muslims in this Presidency particularly will not only prove detrimental to the political advancement of the Muslim community but will also jeopardise the interests of the Muslims and to a very great extent hamper the friendly relationship that exists between the Hindus and Muslims."

MAHARASHTRA SUPPORT OF JOINT ELECTORATE.

At the meeting of the Executive Committee of the M. P. C. C. held at Poona on the 3rd April two important resolutions, one relating to the Hindu-Muslim question and the other relating to the constitution of the Congress and work in the Councils proposed by Mr. N. C. Kelkar were adopted. The first resolution was to the following effect :—

(1) The suggestion about joint electorates should be wholly acceptable. Without joint electorates it is impossible to establish political unity in the country. (2) The Mahomedans demand that some seats should also be reserved for them in the elections. That suggestion also is likely to meet with general acceptance. It would be just to reserve seats in proportion to the number of a Mahomedan electorate : but Mahomedans being in a majority, Hindus should be liberal-minded enough to consent to the reservation on a population basis. But the Mahomedans should regard this concession as the maximum concession. If the population basis is accepted Mahomedans will have to sacrifice some seats awarded to them in accordance with the Lucknow pact ; but Mahomedans must be prepared for such diminution. (3) This meeting is not agreeable to the proposal of separation of Hindh from the Bombay Presidency. At the same time it thinks that there should be no objection to give Sindh its proper position when a formation of provinces on linguistic basis is undertaken throughout India.

The second resolution ran as follows :—

In resolution No. 5 of the Gauhati Congress which relates to work in the Legislatures, clauses A and B should be deleted, clauses C and D. E. and F may remain as they are. The Congress should not lay down any definite rules for acceptance of Ministerships ; but it should be left to the elected members in provincial Councils to do what they like. It has been proved by the election to the Councils and subsequently by the fate of specific resolutions or the amendments moved by the Congress party in the Councils that the electorates in the country are not in favour of making Ministries impossible in each province. Ministries have been formed and are so far working. The electorates have been brought into existence by the demand of the Congress placed before the Joint Parliamentary Committee in 1919. It is not for the Congress, therefore, to set up its mandate in conflict with their wishes, the original theory being that the electorates are to elect their representatives and try to express and enforce their will in the Councils so far as they may be able to do so among the elected members. In most of the provincial Councils, members elected on a non-Congress ticket are in a majority. It is obvious therefore that the electorates are not in favour of the restrictions placed by the Congress upon the formation of the Ministries. What must be a reasonable course to follow is that Ministries should be allowed to be formed in the first instance ; but, as the Governor in each province has been found to follow the constitutional practice of seeking to form a Ministry in the province by inviting the numerically larger groups in the Councils to offer their nominees for taking up Ministerships an attempt should be made to form in each province a Congress party out of not only elected members but even other members who may be willing to work the Councils in a national spirit and for the benefit of the country on the lines and in the spirit of clause (c), (d), (e) and (f) in the Gauhati Congress resolution. Presumably a party so formed would be numerically larger than any other party in the Councils and will have therefore an opportunity to offer the nominees to work in the national spirit. It would of course be open to such a party to demand pledges or understandings from nominees offered for acceptance of office after the Ministries have commenced to work and function in the usual manner.

It would soon be discovered whether the Ministers are behaving in a manner calculated to secure the object of the party and if the Ministers are found to be on the right lines generally and to help the Councils in carrying out its will then the Ministers would naturally be supported in their measures if these be found

supportable on merits. If however the Ministers are found to be administering their departments in a spirit contrary to that of the above mentioned clauses of the Ganeshi Congress resolution, then they would be asked to redeem their pledges and undertakings or to resign if they are not prepared to do so. In case the Ministers do not resign under the above-mentioned circumstances the party should defeat or even pass a vote of censure on the Ministers concerned and further take the opportunity at the next budget to cut down their salaries and thus remove them. The Ministers who are enabled to take office with the approval and support of such a Congress Party will always be found better than any other Ministers who only rely upon communal vote or Government support. The point is that the Congress Party should take advantage of the constitutional practices resorted to by the Governor of calling upon the numerically larger groups to nominate candidates for Ministerships and give their nominees a chance for enforcing the will of the electorates. Unless this is done Ministries will always go to people unamenable to popular opinion or not bound by any pledges or understandings. The reason for adopting this course is just the counterpart of the reason for which the Congress tries to capture elective seats in the Councils, the reason, namely, that it is much better in any case to prevent places of power and privileges from being captured by undesirable men. A vacuum cannot and ought not to be allowed to exist and should be filled by the better sort of men. As far as possible the Congress should be prepared to decentralize her work. So much of the national work as can be done through the councils should be left to the councils ; but there is an amount of national work that cannot be done through the councils under the present Government of India Act or even in any impending amendment of the same, for example, relations with Native States, Foreign affairs, Army and Navy administration, higher Civil services, the Secretary of State and his powers, fiscal and financial autonomy, Asiatic Federation etc., etc. The Congress should reserve her time and energy for these and other transcendental matter. There is enough work for the Congress in this respect and much less scope for friction or difference of opinion between the different sections of Indian opinion. Further the Congress should aspire to act not as a propagandist before any particular view of national salvation, much less for particular interest in the country. She should be like a League of Nations or an international body taking upon herself the duty and the responsibility of resolving as far as possible the growing conflict of different interests in India. The Congress should be in itself or should carve out its body an Arbitration Board for this special purpose. The Congress will retain the respect and love of the Indian people as a whole only if she puts herself on that higher plane. The present restrictions about Congress members on account of khaddar dress etc. should be removed if the Congress should be really an All-India and thoroughly representative body. Also, the constitution should be so framed that apart from the representatives of local electors, elected members of the different legislatures in India should have a place in the Congress automatically as a matter of right by reason of their election to the Council according to some scheme of representation.

BIHAR MUSLIMS' OPPOSITION.

A special meeting of the Muslim representatives of Bihar and Orissa were convened on the 8th May in the Anjuman Islamiya Hall, Patna to consider the Delhi scheme of joint electorate. The hall was full. Sir Ali Imam, Sir M. Fakhruddin, Messrs. Marfraz Hussain Khan, Shafi Daudi, K. B. Mahomed Ismail, Messrs. Abdul Aziz, Mahomed Hussain, Athar Hussain Qanize, Ahmed Hussain, besides delegates from other districts were present.

Prolonged discussion centred round the Delhi proposals. Sir Ali Imam, Moulana Shafi Daudi, and Mr. Syed Aziz, supported the Delhi proposals and pointed out that in most of the provinces as in Bihar a few Muslim representatives returned through separate communal electorates could not safeguard Muslim interests without the help of non-Muslim members who outnumber them. Any proposal emanating from them was turned down by Hindu members. Muslim representatives did like-wise. All this created misunderstanding and mischief. Militant Hindus were returned to Councils to crush legitimate aspirations of Muslims. Muslims had separate electorates for 7 years but had they gained anything ? Laws were made in Council to safeguard the interests of all communities and not to injure any of them. Sir Ali said that no community or nation would prosper unless it came in contact and competition with others. When India attained political freedom Muslims would lose much

by position of isolation. Muslims should think that whereas communal electorates had their use only once in three years, they cannot help their relations with Hindu neighbours. Muslims would by their separatist tendency meet with economic boycott and retaliation and be even feared that Muslim life and property were in danger in villages. This was because their separatist tendency had aroused suspicion and hostility in the minds of Hindus. If Muslims themselves wanted to stand aloof he saw no reason why they should complain of speeches at the platform of Hindu Mahasabha.

Khan Bahadur Nawab Muhammad Ismail, the Hon'ble Sir Fakhruddin, Mr. Atahar Hussain and Khan Bahadur Nawab Shrafray Hussain Khan led the opposition to the joint electorate. Sir Fakhruddin said that under the joint electorate chances of friction would multiply. Friction could be avoided if good feelings were restored between the two communities. But good feelings could be restored if Muslims surrendered some of their rights. Even then he was doubtful that communal friction could be completely avoided. Khan Bahadur Nawab Shrafray Hussain Khan said that separate electorate was necessary so long as Hindu mentality was not changed. He complained that Hindu members of the Assembly did not display impartiality in matters of introduction of reforms in North Western Frontier and Ajmer.

Discussions were adjourned in the afternoon when the following resolution was adopted :—"In view of the fact that some leaders of the sister community are taking advantage of the proposals made at the Delhi Muslim Conference and there is danger that Muslims would be deprived of their rights of separate representation without their rightful demands being accepted and in view of the fact that separate representation of minorities was necessary so long as communalism reigned supreme in the country and also in view of the fact that in spite of all sorts of friendly gestures on the part of Mussalmans the sister community has developed marked tendency towards communalism which is evident from its hostile attitude towards all political and religious rights of Mussalmans and has recently been given public expression on the platform of the All India Hindu Mahasabha at Patna, this conference of Mussalmans of Bihar and Orissa is of opinion that the proposals for replacing separate electorate by mixed electorate are premature and as such harmful to the interests of Mussalmans and therefore this conference deprecates any attempt to take away the right of separate representation from Mussalmans and declares that in the circumstances mentioned above the Mussalmans are not at all prepared to give up the right of separate representation for any price. This conference is of opinion that reforms should at once be introduced into North Western Frontier Province and Sindh should at once be separated from Bombay presidency and constituted into a separate province and hopes that Hindus as proof of their change of heart will support these demands of Mussalmans and thus pave the way for settlement of political differences."

ALL-INDIA LEADERS IN BOMBAY

About this time most of the Congress leaders were coming in Bombay to attend the A.I.C.C. meetings. They held informal conferences in Bombay under the presidency of Mr. Srinivasa Iyengar on the 13th and 14th May. In these conferences the future policy and programme of the Congress as well as the communal questions formed the subjects of long discussion. The position of labour in the Congress programme, the Delhi Mahomedan offer of Hindu-Muslim settlement and unity between the Swarajists and Responsivist parties in the Congress ranks were also the chief questions round which a vehement discussion centred for over three hours without coming to any conclusion. Mr. Srinivasa Iyengar favoured at least a partial surrender to the Responsivists in the interest of unity, although Maulana Mahomed Ali opposed the proposal on the ground that too much surrender would lead to the extinction of the Congress. On the question of Delhi Mahomedan offer strong views were expressed on both sides. Some favoured the Jinnah conference proposals while others refused to countenance any move for separation of Sind from

the Bombay Presidency. The decision however was put off for the All India Congress Committee meetings held on the 15th May and subsequent days. (For Proceedings See p. 9.)

Bombay Decisions and After

Under the auspices of the Madras Mahajana Sabha and the Madras District Congress Committee, a public meeting of the citizens of Madras was held on the 11st. May at the Gokhale Hall, Madras, when Messrs. S. Srinivasa Iyengar, Sami Venkatachalam Chetti and others spoke on the "Bombay All-India Congress Committee and after". Mr. S. Satyamurti presided. The hall was fully crowded and Messrs. T. Prakasam and Balusu Sambamurti were present on the platform.

Mr. SATYAMURTI, in opening the proceedings said that no one regretted more than he the personal aspect which the controversy had assumed among the Congressmen. As far as the "Justice" Party and the outsiders were concerned in it, he could not seek a quarrel with them but if a quarrel came with them then he would not withdraw from it. So far as his comrades-in-arms, the Congressmen, were concerned, those Congressmen whose patriotism were undoubted and whose motives were unquestionable he keenly regretted as profoundly as any body else that there should be this trouble among them. He was satisfied, however, that there were only temporary misunderstandings which would be ended sooner than their enemies imagined and candid friends hope for and he was sure they would all be united once again under the banner of freedom and Swaraj. Their enemies need not imagine that the Congressmen would be misled into troubled waters. That would never be the case as long as the spirit of freedom existed among the rank and file of his country. He did not propose to speak to them on the propriety or otherwise of the A. I. C. C. decisions. That was a matter to be decided between the A. I. C. C. and the Working Committee of which he had not the honour to be a member. It would be decided between them at the proper time and place. He only ventured to say that under the constitution of the Congress, under the direction of their election pledges, the Working Committee had every right to issue instructions to the Congressmen in the Councils. He asked only the public to watch the discussions amongst them not as interested spectators enjoying a cock or bull fight but as men understanding that those who were engaged over this conflict were actuated on both sides with the highest of motives. They might have done wrong; after all they were only human. If they had erred they had erred not in malice but in good faith, not for personal gain but for public advantage alone they had done it.

The main question before them was this. Were they going to use or abuse the strength of the forty-one elected members of the Madras Council in order consciously or unconsciously, directly or indirectly, to enthrone in power and in office a party which for six long years sat as nightmare over this province, which allowed consistently the communal cry to be raised over every public activity and tried to develop this province into becoming the Ulster of India? Except the Raja of Panagal and his personal friends and dependents, no patriotic Brahmin or Christian would like to play again the game played by the Justice Party. If the Congress Party had done wrong, the only ground on which they did it was to see that the Raja of Panagal and his friends were kept away from office. This, he considered, to be a distinct service to the cause of nationalism and to the interest of India. Public memories were short. They all knew or ought to know how the Justice Party, when in office, through its leader declared on the floor of the Council that political prisoners should be treated worse than criminals. That party, in fact, while in office, sold their power again and again to the bureaucracy. He would ask them to take into account the attitude of that party towards khaddar, prohibition and non-co-operation about which now that they were out of office they professed their abounding faith. The critics and the candid friends now forgot all that. When the Justice Party were in power they hounded out non-co-operation, khaddar and Mahatma Gandhi. But now the Raja of Panagal was saying that Mahatma Gandhi was a great man and he would unveil the latter's portrait, though he would not accept his politics. For about 6 years this party persecuted nationalism. Take again the question of prohibition. Sir. A. P. Patil's parliament shot on the subject when he was compelled to lay down his office was seen in the Government Order of

August. The order said that prohibition was an impossibility; local option was unworkable and the rationing system was not practical and therefore they could do nothing to bring about temperance. The Chairman could multiply instances of that sort and did they want, he asked, that such a party should be put in power again? The Congress Party in the face of this thing did what they considered to be the best thing. A few words now about their candid friends and critics.

THE JUSTICE PARTY AND THE MINISTRY

Mr. Prakasama and his friends told them that the Congress Party in the Council was wrong in their judgment and if only they had defeated this Ministry the Justice Party would not come to power or the Government would have resumed the administration of transferred subjects. Why? Their friends even went to the length of saying that there could be no dissolution of the Council. Let them first note the one geographical fact, viz., that Delhi was far away from Madras and there, the Congress Party, knew the exact situation here. Mr. Prakasam was not here and the Congress Party, after careful consideration and talks with friends and foes, came to the conclusion that if they were to defeat the present Ministry they were faced with two alternatives: viz., either the coming into power again of the Justice Party or if that party kept its promise not to accept office, the Governor would be compelled to dissolve the Council. The Congress Party were taking long quotations from the speeches of the Raja of Panagal and Mr. Krishnan Nair to show that that party would not accept office. The speaker did not wish to offend the canons of public opinion and criticism. But he was entitled to say that he refused to take those speeches seriously at their face value. He had been deceived in the past and he was not going to be trapped again by the promises of that party. What worth, he asked, were the promises of the members of that party? Their promise was that "they will not accept office in the present Council." Did they (the Justice Party) or did they not want the dissolution of the present Council? The speaker had got the authority of a high official, whose name he would not disclose, that at that time negotiations were going between the Private Secretary to the Governor and the Raja of Panagal and that the Raja of Panagal should be summoned to form a ministry and as Ministers they should be allowed to go to the country and with all the prestige, influence and patronage at their disposal, a re-election should be held. Those were the terms of the negotiations. Then, again, they were told that they and the Justices could have joined to defeat the Ministry. On the floor of the House both Mr. Sami Venkatchalam Chetti and the speaker said on two different occasions and several times outside that if any accredited leader of the Justice Party would make a public declaration either on the floor of the House or outside, that they found dyarchy unworkable and that they would not accept office under the dyarchic scheme, the Swarajya Party would have also given an assurance and would have joined them to defeat the present Ministry or any other possible Ministry. He would still repeat that undertaking with a full sense of responsibility. Let the Justice Party accept it.

THE OTHER ALTERNATIVES

Then again their traducers said that the Governor would not dissolve the Council according to the established conventions. The speaker, however, knew of no such convention. The resumption of transferred subjects by the Governor had happened in two provinces only, in Bengal and in the Central Provinces under the rules of the Government of India Act. Resumption of transferred subjects was a very serious responsibility which could be done only with the sanction of His Majesty's Secretary of State for India. And further before the Secretary of State gave any sanction for such transfer he would have to be satisfied that there would be no possibility of the formation of any Ministry in that Council.

They were perfectly willing to face the electorates at any time but not at the dictation of the Raja of Panagal. Political parties all over the world chose their own time to go to the electorates. It was only six months ago the electorate returned them in generous numbers. Taking Madras City alone, it gave them abounding confidence by returning four Swarajists to the Hindu and one to the Mahomedan constituency. His party refused to be stampeded into an election for the sake of Raja of Panagal and his friends.

CHARGES AGAINST THE SWARJISTS

As regards the throwing out of Ministers' salaries, a charge was levelled against them not only by their enemies but also by their friends. He did not desire to answer his enemies, because they could never satisfy them. To the extent that

came from their friends he ventured to give in all humility an answer and hoped that answer would be accepted. The speaker next read out the charges made against the party in the issue of "The Swarajya" of the 20th. instant. He then said that he would challenge any one to prove that they had ever voted against beneficial measures. "The Swarajya" had quoted Mr. Muniswami Naidu with regard to the cut in the Ministers' salaries for the purpose of showing that the Swarajists only professed to destroy dyarchy. He could understand the object of dragging them into his party's net and his object was to get into office. But he could not understand "Swarajya's" object in quoting Mr. Muniswami Naidu to lash the Swarajists. When did Mr. Muniswami Naidu become a friend of "The Swarajya" to get the honour of an editorial mention in its sacred columns? He would only say that he too was of opinion that the ministers ought to reduce their salaries. In a poor country like India they could not afford to pay such high salaries. They remained neutral simply because a ministry was there which could be destroyed at an opportune moment without playing into the hands of their enemies.

Proceeding, the chairman dwelt at length upon the charge that the Swarajists voted against beneficial measures. "The Swarajya" Party had never helped the Government. In support of this "The Swarajya" had quoted the discussion on the subject of registration fees. The Minister in charge of that department replying to the token motion stated that he would certainly do all that was possible for him to bring about a reduction in fees. Again the authority for "The Swarajya" was Mr. Muniswami Naidu, a member of a party which moved a vote of censure against the paper for some remarks against the President and the Swarajists came to its rescue. The object of the token motion was to get the purpose for which it was made and the minister had given his assurance. Were they to be blamed if they refused to be drawn by the Justices in their game? If the minister did not do anything on the matter then the time would come to censure the ministerialists. With regard to the charge on this very same question Sir A. P. Patro while in office refused to make any reduction. What was the reply of Mr. Ranganatha Mudaliar concerning the grant to the Andhra University? Greater grants were asked for and the Chief Minister said that Rs. 1,15,000 was the amount that the Vice-Chancellor himself had asked for and that was put in the budget and that if the schemes were ready he would give more grants. What was the charge on this subject? The last charge of "The Swarajya" was resolution No. 5 of the Gauhati Congress which had directed Congressmen to throw out budgets and refuse supplies unless otherwise directed by the A. I. C. C. That was a matter of interpretation of the resolution. Their own interpretation was certainly not inconsistent. On the question of the General Hospital scheme they did not support the Government. The proceedings of the Council would reveal the next position. They asked the Hon. the Law Member at Ooty to mind his own business on the question of the Irrigation Bill. They refused help to the Second Minister when he asked them to give evidence before the Committee constituted to amend the Religious Endowment Boards Act. Did these, the Chairman asked, show co-operation with the Government? He concluded by saying that the enemies of the Congress were many who were unscrupulous and resourceful and he appealed to his friends and the public to help them and to stand by them in the hour of crisis.

MADRAS SWARAJISTS' ACTION JUSTIFIED

MR. SAMI VENKATACHALAM CHETTI, who was next called upon to speak, said that the manner in which the Swarajists were attacked by their opponents was unworthy of any decent man; and the time had come when they must hit back. They had sufficiently explained why it had become necessary for the Swarajya Party in the Council to remain neutral and allow the Independent Ministry to remain in office in view of the likelihood of the Justice Party being again put in power. Mr. Sambamurti who was one of those who thought that the Swarajya Party should have overthrown the present ministry had himself not been sure whether they would be doing the right thing if they voted against the present ministry. The speaker quoted from the speech of Mr. Sambamurti, and maintained that as there was no possibility of seeing that the Justice Party was not enthroned, they did not seek the defeat of the Independent Ministry and allowed it to continue until a favourable opportunity presented itself to it of killing Dyarchy. This action on their part did not militate against the spirit of the Gauhati resolution. It was true that the Justice Party declared that they would not accept offices in the present council but the Swarajists were shrewd enough not to be led into its ruse and respond to its overtures. He

had two reasons as a leader of the Party as to the way they remained neutral on the question of the reduction of minister's salaries. If they agreed to a reduction in the salary it would mean that they agreed to the continuance of the ministry while in reality they were waiting for a favourable opportunity to defeat the ministry and make the formation of any other Ministry impossible. That was why they thought it best to remain neutral. There was no retreat at all; and the Swarajists were in their seats but only they did not vote either way. He characterised the attacks in "The Swarajya" against the Swarajists in the Madras Council as being unfair. He was astonished, he said, that a leader of the position of Mr. Prakasam who was a member of the Working Committee should have completely ignored the wording of the Gauhati resolution when he levelled his attacks against the party. Only subject to clause (d) they could throw out the budget and refuse supplies; Mr. Prakasam conveniently omitted to take note of this fact. There could be a good deal of ambiguity in the Gauhati resolution for which the Congress party in the Madras Council were not responsible. It was the leaders like Mr. Prakasam that were responsible. Having been responsible for the resolution, to criticise the Madras Swarajists in that manner was unfair. He would request Mr. Prakasam to be more charitable towards them. Strong epithets had been used in "The Swarajya" leading article of Saturday. The speaker was not really sure whether those were intended to hurt the leaders of the Madras Council Party. They had, in fact, shown shrewdness tact—(Mr. A. Satyamurti : Nerve)—and nerve. Mr. Prakasam must have watched the movements of the party; but having failed to give any lead, he now criticised them.

He had discussions with Mr. Sambamurti at this anxious period; but he also did not give the proper lead which he said now was the proper lead and left them in doubt. (Mr. Sambamurti : Absolutely no doubt). It was quite uncharitable on the part of Mr. Prakasam and Mr. Sambamurti in these circumstances to find fault with the Council Party.

In regard to the proceedings of the A.I.C.C. he must make a complaint against the President of the Congress; because if he had only allowed Mr. Govindachari's resolutions to be voted in the House, all this controversy would not have arisen, because the majority of the A.I.C.C. would have voted against it and there would be an end of the matter. Perhaps he wanted to chastise the Council party and please the oppositionists, and therefore he pleaded for referring the resolution to the Working Committee. They were bound to respect the verdict of this Committee in whatever way it might have been given. There was nothing objectionable in the procedure adopted. In fairness to the Congress Executive this controversy must cease. When at least a theoretical unity had been reached, they ought not to create disruptions, and indulge in recriminations and bickerings. He had absolutely no hesitation in saying that what they had done in the Madras Council was the best under the circumstances; and it was only providential that they had acted in such a manner as to keep out the Justice Party which was thirsting for power once again.

A DOMESTIC QUARREL.

Mr. O. KANDASAMI CHEPPI considered that these differences of opinion were rather calculated to strengthen the Congress Party and not weaken it, because each section was coming to understand the standpoint of the other section. As a proof of it, he would point to the presence of Mr. Prakasam and Mr. Sambamurti at this meeting. He was sure it was a domestic quarrel as Mr. Satyamurti had said; but only it was carried on in too loud a tone and their neighbours were trying to make political capital of it. He it was who took the responsibility on behalf of the Swarajists to press for a resolution of the Working Committee to put them right with the country. (Mr. Prakasam : So, you brought the trouble!) He told the Committee that the Madras Council had to face its critics. It had to face the Justice Party and the bureaucracy. If the Madras Council Party should be a strong weapon with which to beat the bureaucracy, the Working Committee thought that the hands of that party ought to be strengthened by the resolution. Had Mr. Prakasam been present at that meeting he would also have agreed with the resolution—(Mr. Prakasam : Oh)—and all this controversy would have been avoided. In fact, the resolution regarding Madras Swarajists came in as an illustration of the arrangement which had to be entered into with the Responsivists in the matter of acceptance of office. The Working Committee had to distinguish between those office-holders who held themselves abject slaves of the bureaucracy and those who held offices as a trust on behalf of the people

in their fight against the bureaucracy. In making that distinction, he believed the Working Committee had done well and he had no doubt that the country would endorse that decision. If they looked at the decisions in the right perspective and in the spirit of union, conciliation and tolerance, they would realise that what the Working Committee had done was just the thing that was wanted.

THE GAUHATI RESOLUTION ON COUNCIL ENTRY.

Mr. BASHOOR AHMED speaking next said that there would have been no occasion for this controversy at all if both the censure resolution and its amendments were discussed at the A. I. C. C. meeting and put to vote. He was perfectly certain that it would have been defeated by a majority. This controversy was started by their political friends who had forgotten the principles on which the Council-entry question was based and the Gauhati resolution. Those friends were merely clinging to the letter of the resolutions and had forgotten the spirit of them. The Congress mandate was to throw off all Ministries and not one Ministry. Would they have achieved their object if they voted against the present Ministry—No. Mr. Prakasam was not in the know of things. "The Swarajya" kept silent over this affair when the matter came up before the Council. What had happened afterwards for "The Swarajya" to attack them on the 29th instant after a lapse of nearly three months? The paper, as an organ of the Congress, having acquiesced in that position, was not at all well-advised in taking the present attitude now. It was wrong on its part to do so. It was simply giving a handle to its enemies in the country and abroad. If the Congress asked them clearly to come out of the Council, they would gladly obey the mandate. It was not right that motives should be attributed to them or that their bonafides should be questioned. There was no pact or secret understanding. The Congress had long ago suspended non-co-operation with regard to keeping up of social relations and ties with other parties. What was wrong if political subjects were discussed at dinner parties? To bring such a charge was unpleasant and undesirable. "The Swarajya" had forgotten the very object of token motions. Token motions were not often pressed to a division if the object of the motion was achieved. (Mr. Prakasam: It is not a censure on the Government). Mr. Bashoor Ahmed: "Not necessary." If Government, he then said, assured them that they would try to do what the motion required, it had served its purpose. The Congress was not in the Council, to oblige the Justice Party and thus place them in power. If those critics knew that the action of the Madras Swarajya party had the approval of the President of the Congress, (Mr. S. Srinivasa Iyengar: They know that it had his approval and as well as of Pandit Motilal Nehru) then those friends were not justified in taking up this attitude. It meant then that he wanted to condemn the President. Such a thing ought not to be allowed. The speaker then pleaded strongly to give a free hand to the Congress councillors in carrying out the Congress policy in the Council. As far as the Council-entry question was concerned he was of the view, that wisdom lay in preventing the evil and making the best of the inevitable for the best interests of the country.

AN APPEAL TO NON-BRAHMINS

Mr. C. MUTHURANGA MUDALIAR in the course of his speech explained fully the position of the Congress Party in the Council and pointed out that there was no secret agreement in their work. He told them that from his experience he had found out that they could not place confidence in the words of the members of the Justice Party as long as that party believed in dyarchy. He knew that even in the Congress Party there were members who pleaded at the time of the Gauhati Congress for the acceptance of office. (A voice: Mr. Muthia Mudaliar is one of them). Those friends made common cause with the Raja of Panagal and his friends in attacking the party. There might be difference of opinion among them; but when once a decision had been arrived at they must be loyal to that decision. He then explained the importance of the A. I. C. C. resolution concerning Hindu-Muslim unity and asked their friends to help in carrying out that resolution. He suggested that the time had come for the non-Brahmins also to give up the plea of reservation of seats and to fall in with the joint electorate. It was only in unity that the salvation of their country lay.

A RESOLUTION

The Chairman next put from the chair the following resolution which was carried

"That this public meeting of the citizens of Madras places on record its joy on the

release of Srijit Subhash Chandra Bose and prays for his early recovery and restoration to full health and strength and calls upon the Bengal Government as a bare act of tardy justice to release all detainees who are still detained unjustly."

One among the audience cried out that he had a resolution to move. The Chairman said that he had already called upon Mr. Srinivasa Iyengar to speak and after he had finished, the interruptor would be given a chance to have his say.

THE WORKING COMMITTEE CONTROVERSY

Mr. S. SRINIVASA IYENGAR, who was next invited to address the meeting, said that he was inexpressibly saddened by the controversies regarding the proceedings of the Working Committee. He hoped that better counsels would prevail; if they did not, then he had no doubt that in the fulness of time the country would determine what was the right thing to do. He would ask them to dismiss all personal and acrimonious controversies. He wanted to tell them plainly once more that he was not responsible for the action of the Swarajists in the Madras Council. It was true he sent a telegram; but that was only in reply to Mr. Sami Venkatachalam Chetti's communication soliciting his advice. In his telegram to the party he did not advise them one way or the other. He left their action on the situation entirely to their own discretion and judgment. His view was that though the All-India Congress Committee or the Working Committee had general control and superintendence over the Congress Council Party, they could not deal with the situation as the men on the spot. He had always acted upon the golden maxim "Trust your friends." He had not yet seen that the majority of the Congress Party had betrayed the trust reposed in them by the All-India Congress Committee or the Working Committee. Notwithstanding the frantic attempts made in some quarters to break up the solidarity of the party, he hoped that the party would continue to be united. When they were fighting against a foreign Government what was necessary was a well-knit and disciplined organisation running on wheels with little friction. Supposing there was a difference of opinion between the Viceroy and the Governor of a province or a Governor and the Collector in the district, they would not see any controversy about it in the press or the platform. There had been such differences of opinion; but they were all expressed privately and settlements arrived at. That was why a handful of Englishmen were able to rule this big country and that was where the success of the British administration lay. Swaraj could be built up only by building up a big party, by smoothing out the differences and making the people work together; and not by making any section rebel against another section. Leadership lay in knowing many things but keeping a quiet tongue. If they went on suspecting people nothing could be done. Mr. Horniman proclaimed in his paper incessantly that the oligarchy in the Committee should be pulled down. What was the meaning of all this? It was easy to pull down anything in the world. They who were strenuously attempting to pull down the foreign bureaucracy, could easily pull down the edifice of the Congress. That was the game which was being played to-day. He would appeal to them to consider the majority decision of the Working Committee as a safe decision. When the time came for the All-India Congress Committee to express its opinion, let the dissentients by all means criticise it. But in the meantime let them not carry on a propaganda against the Working Committee and the A. I. C. C. Swaraj could not be won by such a propaganda in the press; it could be won by common endeavour and common action. He would ask the dissentients not to carry on the personal campaign and play into the hands of their political opponents but to sink their differences and march ahead unitedly for Swaraj. The present controversies over the Working Committee decisions were due to nothing but distrust, misunderstanding, suspicion and loss of temper. He would again repeat that the All-India Congress Committee would consider the whole matter and come to a decision upon it. The Working Committee was a responsible body and it had acted under its powers. It was left to the All-India Congress Committee to endorse the Working Committee's resolution, modify it or abrogate it. He could not see why all this bother about it. Because the Working Committee was prompt, he was accused of having deliberately conspired to prevent the matter from coming up before the A. I. C. C. No fouler charge had been made against him; and he must tell them plainly it was a deliberate lie. Equally false was the charge that he was the prime mover behind the instruction issued by the Working Committee. What happened was that Mr. S. Venkatachalam Chetti and Mr. Kandaswami Chetti pressed upon the General Secretary of the Congress and himself to bring up the subject before the Working Committee for a decision.

Mr. Kandaswami Chetti later brought a draft of the resolution and he circulated it to Pandit Motilal Nehru and other members of the Committee. Panditji altered the draft, leaving however the first portion untouched. It was considered by the Committee and passed. To suggest that there was a conspiracy and the speaker was the prime mover, was monstrous. Why should a man like him do that? Presidentship of the Congress or no presidentship, he could not stoop to those things. Really it was all a newspaper stunt; and it was set on by Mr. Horniman, as he himself said, "to pull down the oligarchy!" If the lead given by the Working Committee was not correct, there were constitutional means open to him and others to set it aside. But why this campaign of calumny in the press and platform.

All that was necessary for them to do, said Mr. Srinivasa Iyengar in conclusion, was to realise their duty, which was to support the majority view in the existing Congress organisations. He appealed to the young men in particular to learn the value of discipline, self-restraint and of doing things quietly as far as possible avoiding personalities. The road to success lay in trusting somebody and not in distrusting somebody and dividing the people. He once again appealed for support to the Working Committee without minding technicalities. "Whether I am right or wrong," he pleaded, "If you give me a chance, I will take the Congress a step further and for greater success at the end of the year. Notwithstanding the criticisms, I feel undaunted because I have full faith in God, in my conscience and in my countrymen." (Applause).

The Chairman, rising next, said that he received a resolution from a member of the audience on Nagpur Satyagraha. It was too important and controversial a resolution to be discussed at the meeting at that late hour. Discussion might be had on a subsequent occasion. He then declared that the purpose of the meeting was over and had the meeting dissolved.

A section of the audience expected that Mr. Prakasam would be allowed to speak at the end and finding the meeting was dissolved without calling upon him to address them, they cried out 'shame. shame'. as the meeting was breaking up.

The Andhra Congress Committee

BEZWADA-1ST MAY 1927

A general meeting of the Andhra Provincial Congress Committee was held at Bezwada on the 1st May 1927 under the presidency of Mr. T. Prakasam. About 70 members and large number of visitors were present. After the passing of two condolence resolutions when the subject of election of Working Committee members came up Mr. C. Ramasamayajulu pointed out that they within the Council were suffering under a great disadvantage as they had to obey both the decision of the P. C. C. and the Congress Party within the Council, that in order to obviate this difficulty at least to some extent he would suggest that all Congress M. L. C. s should be brought within the Working Committee either by election or as ex-officio members changing the rules of the constitution if necessary and that if this were done the Congress M. L. C.s and other members of the Working Committee would think together and see that their resolutions and mandates regarding the work within the Council would be given effect to. But the Council followed the former general policy, of course electing as many M. L. C.s as possible to the Working Committee.

VILLAGE RECONSTRUCTION

The Secretary then placed the sub-committee's report on village reconstruction before the general body and pointed out that it contained the ordinary scheme of work and that it entailed an expenditure of Rs. 1,500 every month and that it recommended for collection of money. The President pointed out that he was in a hurry to work out this programme, that he was about to deal with the currency problem with reference to this subject, that a report was already in the A. I. C. C. and would be discussed at the ensuing meeting and that it would be better for them to wait and lie over this subject until the decision of the A. I. C. C. The subject was therefore adjourned.

CONSTRUCTIVE PROGRAMME ADVOCATED.

After this two resolutions were discussed regarding the conduct of the Madras Legislative Council Congress Party. Six M. L. C.s present explained the facts and the circumstances under which there were defections in the party on certain occasions. They also pointed out that they were obliged to obey the majority decision in the Council even against their own will.

Dr. B. Subramaniam then moved the following resolution :—

"As the Council programme instead of being a means to attain Swaraj is unavailing and a waste of time, this Committee resolves that the leaders should turn their attention to and carry on propaganda with great zeal for the achievement of the constructive programme."

After four hours' discussion it was carried by 28 against 15 votes.

CALL TO COUNCIL AND ASSEMBLY MEMBERS

Mr. A. Govindachari, Editor, "Satyagrahi" then moved the following resolution :—

"Whereas the Congress Party members of the Madras Legislative Council did not throw out the Ministers' salaries in pursuance of the resolution passed at Guntur by the Andhra Provincial Congress Committee, in accordance with the Ganeshi Congress resolution, but disobeyed it, this committee condemns such action and further resolves to call upon the councillors elected by the Andhra Provincial Congress Party to resign their membership in council."

Mr. V. L. Sastri of Madras raised a point of order that this resolution was already given notice of by the mover to the A. I. C. C. that it would be discussed therebefore to arrive at a definite conclusion and that therefore this resolution might be taken up after the decision of the A. I. C. C. at Bombay.

Mr. K. Sarweswara Sastri also asked that the A. I. C. C. which made the selection of these councillors at the time of elections was competent to deal with this matter.

Mr. A. Kaleswara Rao further pointed that he was bound by a pledge given to the A. I. C. C. in which it was mentioned that he was to vacate his seat in the council in case he willfully failed to carry out the policy and instructions given by the Congress or the A. I. C. C. and that therefore there was no idea of the Provincial Congress Committee there. He would therefore request the President to rule the resolution of Mr. Govindachari out of order.

The President, Mr. T. Prakasam pointed out that the Andhra P. C. C. passed a resolution at Guntur giving a mandate to the Congress Party M. L. C.s to throw out Ministers' salaries and that this committee was competent to discuss this question. He could not know how the A. I. C. C. which was to meet in Bombay in a few days could base their judgment when they would not give their opinion. After all this committee conveys its opinion to the A. I. C. C.

The mover accepting the president's suggestion added after "resolved" the words "to recommend to the A. I. C. C."

Mr. V. L. Sastri remarked that there was no previous notice of such a resolution to the house.

The president ruled that the resolution was in order.

DISCUSSION ON THE RESOLUTION

Mr. Govindachari speaking on the resolution mentioned the reason for his resolution and referring to the Gauhati resolution (V. Work in the legislature) and to the leaders' opinions, he stated that at Gauhati in the Subjects Committee there was a lengthy debate on the introduction of the words "oppose the formation of a Ministry by other parties" and there was an attempt made to clear the misapprehensions. Mr. Balakrishna Sarma in the open Congress moved an amendment for deleting that provision "which made it obligatory on the Congressmen in the councils to do their best to prevent the formation of ministries."

In opposing it Mr. Rangaswami Iyengar said: "The Cawnpore resolution insisted on non-acceptance of offices and it logically followed that the Congress must oppose the formation of Ministries by others. The omission of the words "oppose the formation of a ministry by other parties" signified that the Congressmen need not form the Ministry but could form a binami ministry. That was deception that the Congressmen should not practise." Again, Mr. Sen (I Gupta) in the Subjects Committee said: "There was no change of programme of Mr. Das. It had not been made easy or watery. On the other hand the provision that the formation of Ministries must be opposed showed that even loopholes were remedied and no doubt was left." Mr. Satyamurti in the open Congress said: "That's why I am opposed to the deletion of the provision on stating that we must oppose the formation of ministries. If there were offices worth accepting Congressmen would not put forward binami leaders who would accept them." Judged by these leaders' words, continued the mover, they said that that provision meant that the ministries should be opposed. It could further be said that their Madras Ministers were "binami" who were being supported by the Svarajists which they themselves called it deception on the part of the Congressmen. He said that clause (b) of the Gauhati resolution was also disobeyed as the Congress Party did not throw out the budgets. Neither the A. I. C. C. gave any instructions to take the present action of neutrality, etc., nor there was any response from the Government to change their system. Again, the words "necessary for the healthy growth of national life" mentioned in cl. (d) have become their shelter for everything. Their M. L. C.s abstained themselves from voting on the prohibition question in the council thus disobeying the Andhra P. C. C. resolution calling upon them to put the prohibition question in the council. Even big men like Mr. B. G. Horniman have expressed their opinions that the actions of the Congressmen betrayed the trust reposed by the Congress and the country. Again, the minority of the Congress Party submitted a report to the Secretary of the A. I. C. C. which also spoke to the same. Since the whole report was not published yet except some extracts, he next read the letter as a whole.

The mover after reading it pointed out that that letter itself would suffice for his resolution and that the minority members should be congratulated for their frankness. Mr. Satyamurti's arguments defending their action in council were not satisfactory to him. Mr. S. Venkatchalam Chetti said that if they were asked to resign their seats they would do it with no fear of being re-elected and that they had no fear that the Justice Party would come back to power but that on the

other hand "even after dissolution I am sure that the Congress Party would be returned in a larger majority than now." He, the speaker, was of the same opinion and that was why he wanted them to take an honourable course to restore confidence and prestige. The menace of the Justice Party could not be an argument for their remaining in the Council. Is it to kill the Justice Party or the Dyarchy, he asked. That is the point they have to consider. The All-India manifesto (i.e. the election pledge) did not say that they should go to councils to defeat the Justice Party and there was no such mandate.

He might remind them of the conditions at the time of the "walk-out" and of their leaders telling the united Nationalists that they would remove the ban and of those discussions. Again, they opposed the Subramati Pact and defeated its purpose. Lastly they heard the rumour that Mr. Srinivasa Iyengar said at the time of the formation of Ministry that the Swarajist Party should move in friendliness with the Independent Ministry. That could be seen from the interview given to the A. P. I. on December 16 by Dewan Bahadur Rangachari, who said: "The new ministry, I know, has the moral support of Mr. Srinivasa Iyengar and his party. This did not appear to have been contradicted. While opinion being such, Mr. Iyengar in his presidential address at Gauhati pleaded for opposing the Ministers and also got the resolution passed there. What did he do afterwards? They heard that he sent a telegram to the Madras Congress Party not to throw out the Ministers' salaries. (Laughter.) The speaker concluded by saying that they would better consider whether the keeping of such "degenerated councillors" within the Council would be more beneficial to the country than asking them to resign their seats.

The resolution was seconded by Mr. K. Rangachari of Tuni.

Next Dr. B. Subramaniam's resolution was taken up.

2. CONSTRUCTIVE PROGRAMME

In the course of the discussion it was felt that the resolution (drafted in Telugu) was too strongly worded and was sounding very harsh and at the close of the discussion it was modified. When translated, it ran thus:—"As the Council-entry programme instead of being a means to attain Swaraj is proving futile and waste of time, this committee resolves that the attention of the leaders should be turned to carry on propaganda for the achievement of constructive programme with great zeal."

In the course of his eloquent speech Dr. Subramaniam asked his hearers to realise whether their ideal was Swaraj or a lesser thing, whether they would fight for Swaraj or for petty offices, nominations in local bodies and so forth. From the conditions prevailing at Madras and in Council they must see whether they were going back to secure small emoluments. If they really agreed with him he would ask them to pass his resolution.

Mr. M. Rangiah Naidu seconded the resolution.

The discussion on the above resolution (i.e., moved by Dr. Subramaniam) was then proceeded with. Mr. K. Sarveswara Sastry in opposing the resolution criticised the speech of the mover and asked his audience to realise that their M. L. C.'s were equally patriotic. Mr. C. Puttabhi Sitaranna Gupta also opposed.

Mr. Mandeswara Sarma made a statement that the consequences of the Ministers' actions created a crisis.

The tension in the discussion became great and every one was coming forward to speak first. The President called upon the M. L. C. members to speak out their minds frankly and tell the house clearly the happenings and circumstances relating to the Council affairs. He said that the committee had the right to know facts though of a private nature and that those things should not enter the press.

Mr. Dr. Narayanaraju pointed out in his statement that he was one of those who would carry on propaganda about the ideal of Swaraj. He could not agree that Council-entry alone was responsible for the present depression in the country; because from 1922 to 1926 no one went to the Council from Andhradesa on behalf of the Congress. It had to be taken up for want of another better programme. If they wanted to revive non-co-operation he was not courageous enough that they could effect anything after coming out of Councils. He would certainly come out of the Councils if they showed more effective work outside. He could not think that Andhradesa would suffer if 10 or 12 Andhras enter Councils, when there were so many other big and good leaders available; only they must work outside vigorously. He did not forget about khaddar and was working for its development.

He would assure them that they (within the Council) did not kill the higher ideals in them.

Mr. A. Kaleswara Rao following him explained the peculiar and critical circumstances they were in. On one side they had to face the Justice Party and Communism and on the other the grievances of the people. When non-co-operation riots were not given water for the irrigation of 300 acres, should they not help them? Is it not necessary to work within the Council? He then explained what took place in their party meetings and why they had to be neutral in Council. He did not think that there would be retrogression in the country if a few went to the Council.

Mr. V. L. Sastri pointed out that the wording of the resolution would tend to give a sense of censure upon their M. L. C.s, who had rendered great sacrifice, who went to jails and who were as good patriots as they were. Their aim should always be to conquer the enemy and not to alienate their own men by using harsh language. It was well-known that their Councillors did not go to Councils as a matter of fascination. By the entry of the Swarajya Party in Councils and local bodies there was a change for nationalistic outlook, and for the development of khaddar. He would therefore ask that this resolution should not be passed.

Mr. Umapa Lakshmi Narayana was also opposed to the resolution. He said that the talk about constructive programme had become a fashion of the day. If they would consider about Hindu-Muslim Unity, they would see it was kept aside. About national education, schools were started and closed and some were still lingering. Then, Khaddar. What were they doing? Where was the defect? It was in the men themselves but not in the change of outward dressings.

Mr. Venkatappayya and others asked the speaker to show such suitable programme. The speaker reiterated his sentence and said he did not know. Mr. Venkatappayya said that they could find no better programme than non-co-operation in which the constructive programme forms a part and that that should be revived.

The speaker pointed out that they were in a critical position.

The President in winding up the debate referred to the constructive programme and Mr. Lakshminarayana's remarks thereon and asked whether he was talking about constructive programme for the sake of policy. They were persons who newly entered the Legislatures and were now realising their position and gaining experience.

The resolution was put to vote and carried, 28 voting for 15 against.

After 4 hours, Mr. Govindachari's resolution with the amendment was carried.

SECOND DAY'S PROCEEDINGS.

The Andhra P. C. C. again met on Monday morning, the 4th May, under the Presidentship of Mr. T. Prakasam. About 40 members were present.

3. NEED FOR UNITED ACTION.

The third resolution which was moved and seconded by Mr. M. Annapurniah and M. Tirumala Rao ran thus:—"In view of the conduct of the Congress Party in the Madras Legislature and the Assembly, towards the Ministers' salaries and the Finance Bill and various other matters, this Committee recommends to the A. I. C. C. to dissociate the Congress from all obligatory activities in the legislatures as imposed by the Cawnpore Congress and advise the Congressmen of all parties in the legislatures to form into one single party so as to present a united front to the bureaucracy."

Mr. P. S. Prakasa Rao moved an amendment to the preamble of the resolution which was agreed to by the mover. It read thus when translated:—"Whereas social and religious animosities are prevalent to a great extent in the country, whereas the results of the elections of 1926, were not better than those of 1923, on account of differences of opinion among the Congressmen themselves, regarding the Council programme, whereas under the advice of the President of the A. I. C. C., Sriman S. Srinivasa Iyengar, the Madras Legislative Councillor, acting against the Gauhati resolution, did not throw out the Ministers' salaries in the Madras Legislative Council and whereas the prestige of the Congress is being lowered on account of these reasons, this Committee recommends to the A. I. C. C. to dissociate the Congress from all obligatory activities in the legislatures, as imposed by the Cawnpore Congress and advise the Congressmen of all parties in the legislatures to form into one single party so as to present a united front to the bureaucracy."

This resolution was afterwards withdrawn owing to the passing of another resolution which was as follows:—

"Whereas the Government have been subjecting to unwharable sufferings the Bengal detenus, especially Mr. Subhas Chandra Bose who is in the jaws of death, by keeping them unjustly in prisons without trial, whereas the Government have refused to accept the minimum national demand and whereas the resolutions passed by the Legislative Councils were being treated with scorn and 'restored' or 'certified' and whereas the Government were resorting to such autocratic methods, this committee requests the All-India Congress Committee to resolve that all Congress members of the Assembly and the Legislative Councils shall come out of them keeping their seats by marking attendance only and shall not take part in debates, and further that they shall carry on propaganda in the country educating the people on matters of finance, military, railway, etc., explaining the evils done to them by the Government, and shall work the constructive programme and prepare the country for the early attainment of Swaraj."

Mr. Ponaka Pattabhi Rami Reddi in moving this resolution explained the sufferings of the Bengal detenus and condemned the repressive policy of the Government.

Mr. V. L. Sastri seconded the resolution.

Mr. K. Sarveswara Sastri and M. Balasubramanya Gupta opposed the resolution stating that it was inadvisable to call upon the representatives in the legislatures not to take part in the debates and also that those in the Councils were doing their best in the furtherance of the constructive programme.

Mr. M. Tirumala Rao supported it and pointed out that the present Congress Party in the legislatures were acting against the spirit of Mr. Das's policy. He advocated self-reliance.

Mr. K. Nagawara Rao Pantulu raised a point of order that this resolution could not be taken up as it would contradict the spirit of the Gauhati Congress resolution.

The President ruled that it was in order, because this committee could send any recommendation to the A. I. C. C. The President then spoke of the conduct of the Congress Party and conditions in the Assembly for the benefit of the house.

The resolution was carried by 13 against 8.

4. MONEY FOR CONSTRUCTIVE WORK

Mr. A. Kalewara Rao moved a resolution to appoint a sub-committee to collect one lakh of rupees for the execution of the constructive programme. After a discussion for nearly an hour he withdrew the resolution at the request of the members.

5. ENLISTMENT OF VOLUNTEERS

Mr. M. B. S. Gupta seconded by Mr. Kalewara Rao moved a resolution for the enlistment and training of 500 volunteers and it was carried. Messrs. M. Narayana Rao, A. Venkataramayya, A. Kalewara Rao, T. Prakasam, and Mr. B. S. Gupta formed a sub-committee to carry out that resolution.

6. RESPONSIVE CO-OPERATION

Mr. T. Prakasam, the President, then moved the following resolution in Telugu: "This committee recommends to the All-India Congress Committee that, in case the A. I. C. C. should reject this committee's recommendation to call upon legislative members to keep their seats vacant, and carry on agitation in the country, it be resolved that the legislative members shall resort to complete co-operation with Government and accept Minister-ships and such other offices."

He next agreed to add Mr. D. Narayanaraju's amendment at the end of his; viz., "and that it be resolved that they shall resign their seats in the legislatures and may again stand for re-election to put this new programme into operation."

Mr. P. Satyanarayana raised a point of order that the A. I. C. C. was not competent to go against the spirit of the general Congress resolution of Gauhati and that the present resolution be ruled out of order. Mr. V. L. Sastri and Mr. A. Kalewara Rao further spoke on the point of order that this resolution was against the policy of self-reliance as adopted at Gauhati.

Mr. U. Lakshminarayana who acted as President temporarily to decide this matter held that since a new situation had arisen this resolution could be discussed.

Mr. D. Narayana Raju seconded the resolution. He said that the present legislative members gave a pledge to follow obstruction policy in the Council and that therefore they could not offer co-operation to Government. So it would be proper

to call upon them to resign their seats and under a new pledge of co-operation which would amount to the present responsive co-operation they might again stand for re-election to work out this kind of co-operation.

The President pointed out that his resolution expressed the unconditional co-operation but not any other kind of co-operation. Because they must either have a stiff programme or if they were too helpless and impotent to carry it out they must respond to Lord Birkenhead who wanted them to work the reforms and give every co-operation to Government. They must have a resolution which they could act upon. He was unable to understand the existing kind of things without being able to act up their resolutions.

There was a lengthy discussion for three hours on this resolution.

Desabhabha K. Venkataprayya, who was requested to speak, said that there was nothing at present for despair and despondency. They co-operated with the Government for over thirty years and then they went up a step forward in Responsive Co-operation which was brought in by Lok Tilak. They went up still further and engaged themselves in non-violent fight with the Government. Co-operation would come only after they lost the ambition for independence. All their past struggles and sacrifices would be in vain. Their hearts must be sound. They should not be disheartened. He suggested that the resolution might be withdrawn.

Dr. B. Subrahmaniam did not want to make any speech, but said that he was in entire agreement with the Desabhabha.

Called upon by the President, Mr. G. Sitarama Sastri of Guntur said that their Council-entry was the cause of this despair and depression and that he was always at the disposal of the country.

Mr. Prakasam withdrew his resolution stating why he was obliged to bring in that resolution. He only wanted to take straightforward course.

7. SYMPATHY WITH CHINA

Mr. P. Satyanarayana moved the following resolution:—"This Committee resolves that the All-India Congress Committee shall make a donation of not less than Rs. 10,000 to the Cantonese Government as a mark of protest against the action of the Government of India calculated to obstruct Chinese Independence and also resolves that all village, taluk and district Congress Committees shall show their sympathy towards the Chinese.

After the resolution recommending financial support to the Cantonese Government was passed the proceedings of the meeting terminated.

RAJAHMUNDRY—9th June, 1927

RESOLUTION ON WORKING COMMITTEE CONTROVERSY

The next meeting of the Anilra Provincial Congress Committee was held on the 9th June at Rajahmundry. Forty members attended. Mr. Prakasam presided. After long discussions, the Committee adopted a resolution, declaring the Working Committee's resolution, on Madras Council Congress Party's action as ultra vires and improper and the instructions as inconsistent with Gopathi Congress resolutions and committing the Congress to the policy of responsiveness. The Committee also passed a resolution congratulating Mr. Avari and exhorting Andhras to render help for success of Nagpur Satyagraha and deputing Mr. Balasa Sambamurti to Nagpur to study the situation and report on the best way in which Andhradesa can help the movement. Mr. Prakasam was nominated as the President of the next Congress.

Mr. A. Govindachari moved a resolution congratulating Mr. Avari and the Nagpur Satyagrahis and requesting the Working Committee to take steps for starting at a specified place in Andhradesa before a month Arns Act Satyagraha on principles of Ahimsa, as civil disobedience is necessary for securing the release of Bengal detainees. Prior to this motion the President suggested to defer the consideration of starting Arns Act Satyagraha till receipt of Mr. Vallabhai Patel's report and also because it required very serious thought. Mr. Govindachari said that it was necessary to disobey the Arns Act and that it could be done in Andhradesa more successfully than by sending a few men to Nagpur. He laid stress on non-violence and stated that he had nothing to do with explosives and bombs and that he would not take part in a movement having such object.

Mr. Annampuriah stating his personal study of the movement on the spot.

moved the following amendment which was after three hours' discussion accepted by the mover of the original resolution and carried by a large majority :

"This Committee congratulates Mr. Avari on his starting Arms Act Satyagraha with the object of securing the release of Bengal detenus and on his going to jail on a sentence of four years' rigorous imprisonment.

"This Committee calls upon the Andhras to contribute to the success of the movement.

"This Committee deputed Mr. Sambamurti to go to Nagpur to study and suggest suitable ways for Andhradesa supporting the Nagpur Satyagraha."

Mr. K. V. R. Swami wanted them to pass the original resolution.

Mr. Sambamurti replied to certain criticisms and said he was in favour of Satyagraha. Mr. P. Satyanarayana opposed both.

Dr. B. Subramanyam wanted that leaders like Messrs. Prakasam and Sambamurti in whom people had good confidence should concentrate their attention on constructive work, create a powerful atmosphere, do propaganda and in a short time launch Satyagraha.

Mr. D. Narayana Raju, opined that Mahatma Gandhi who knows mass psychology better than any other should be followed in starting Satyagraha.

The President at the close drew attention to Mr. Avari's statement in the court, and to his policy and programme of establishing bomb factories, manufacturing bombs and carrying them non-violently. He had his own doubts about such an achievement. There was no use of passing unworkable resolutions. He said he knew the existence of an enthusiastic spirit in Andhradesa and the readiness of hundreds to disobey laws and that it would be better to pass the amendment of Mr. Annappuriah which was carried.

Opposition to Mr. Linga Raju's resolution giving Andhra Congress opinion on the working Committee's decision on the conduct of the Madras Council Congress party rested on a technical point whether the decision was ultra vires.

Mr. V. Satyanarayana, Ex-editor, the "Chittaranjan", laboured hard to show that by Articles 21 and 24 of the Congress constitution the Working Committee was not subordinate to the A. I. C. C. He contended that the former had as much power as the latter, both being equally subordinate to the Congress and that therefore the former was within its rights to express its opinion. He argued that the Working Committee's resolution was not ultra vires since it had to execute also the mandate of the Congress and since the word 'submit' in the A. I. C. C. resolution conveyed sending its opinion and that it had to do so owing to the urgency of the matter.

Mr. K. Nageswara Rao of Madras opined that it would be better not to give this Committee's opinion as it had been already given and as there would be no effect by giving it now.

Mr. Sambamurti interpreted the articles of constitution to show that the Working Committee is subordinate and responsible to the A. I. C. C. in all matters, that in the particular instance the latter gave specific terms of reference to the Working Committee only to take an explanation from the Madras party while reserving to itself the decision and that therefore the Working Committee went beyond its terms of reference and that therefore its resolution was ultra vires.

The President, Mr. Prakasam, opined that the Working Committee committed a great mistake in pronouncing a opinion and said that they should understand that all the fuss of discussion on that came about not on account of the ultra vires question or other simple things but based on higher things of the attainment of Swaraj and the welfare of the country. They should either submit themselves to the British Government receiving whatever it would be pleased to grant or should take a manly and self-respecting stand to secure their own efforts. It would be proper, following the examples of Burma and Egypt, to do propaganda in the country not to give evidence before the coming Statutory Commission.

The meeting then terminated.

Tamil Nadu Congress Committee.

A general body meeting of the Tamil Nadu Provincial Congress Committee was held on April 10 in the afternoon in the Mahajana Sabha Hall, Madras with Mr. S. Srinivasa Iyengar, the President, in the chair. There was a large gathering of members. Mr. S. Srinivasa Iyengar at the outset explained the necessity of taking great efforts to make the coming Madras Congress a great success. This was no easy task. When the last Congress was held in Madras in 1904, the whole Presidency formed into one Congress province. But now it had been divided into Tamil Nadu, Andhra, Karnatak and Kerala. The coming Congress was to be held in Tamil Nadu and he hoped that the other Congress Committees also would co-operate with the Tamil Nadu in its efforts to make the Congress a success. It was not an easy task to hold the Congress now-a-days. A new city as it were had to be built for the accommodation of delegates and all sanitary facilities had to be afforded. He was of opinion that at least two lakhs of rupees would be necessary. Therefore, the Committee must take great pains to collect the amount. He appealed to the rich, as well as the middle class people of the presidency to help the Congress. The speaker also believed that the Madras Congress would be a unique Congress. He had been and was taking great efforts to bring down the fusion of all political parties within the Congress and also to bring about Hindu-Muslim unity and if God willing the coming Congress might be a reunited Congress. He therefore hoped that the citizens of Madras would do all in their power to make the Congress a success. They could not expect any great amount from the delegation fee from the delegates, it having been fixed as Rs 1. Hence the amount must be subscribed by rich men. Again as an adjunct to the Congress, they must also hold an industrial exhibition. This would involve some expenditure and he therefore made a fervent appeal to the public to help the Congress with men and money.

Continuing, Mr. Srinivasa Iyengar said that according to the Congress rules the Reception Committee of the Congress must be formed six months before the Congress session. This meeting was convened only for the purpose of taking steps to form the Reception Committee. He hoped that all the members of the Tamil Nadu Provincial Committee and a large number of other influential men of the province would enrol themselves as members. He also hoped that the district and taluk Congress sabhas all over the presidency would begin the work of enrolling members to the reception committee in right earnest and before the end of May they should have a very large number of members. With these remarks, he requested the Secretary to place the agenda before the meeting.

RESOLUTIONS.

Mr. A. Rangaswami Iyengar moved the following resolution :—

"The Tamil Nad Provincial Congress Committee hereby resolves to take steps to constitute in accordance with Article XIII of the Congress constitution, the Reception Committee of the 42nd Indian National Congress. Every member of the Provincial Committee shall be a member of the Reception Committee on payment of a subscription of at least Rs. 25."

He said that even persons not within any Congress organisation might become members of the Reception Committee. Only they must be above 15 years of age and must sign their acceptance of the Congress creed.

Mr. M. K. Acharya said that a strenuous propaganda work must be done in the mofussil to enrol as many members as possible. The resolution was accepted.

Another resolution urging the necessity of carrying of an intensive Congress propaganda in the mofussil by paid Congress workers was also passed.

The following resolution was also passed :

"The Tamil Nad Congress Committee reaffirms its resolution passed last year to take efforts to capture all local bodies by Congressmen."

The agenda having been finished the meeting terminated.

Bengal Provincial Congress Committee.

CALCUTTA-10TH FEBRUARY 1927.

It may be recalled that when the term of Mr. J. M. Sen Gupta as president of the B. P. C. C. expired in December last, he expressed his inability to hold the office for a further term and Mrs. C. R. Das was thereupon elected; but she declined to accept it. Since then the question of a President was causing a great deal of discussion, several members who were approached to accept the office declining. Therefore a meeting of the Executive was held on the 23rd January 1927 in which Prof. Jitendralal Banerjee was unanimously elected President.

Subsequently, however, a requisition was submitted by 21 members for dissolving the present Executive Council of the B. P. C. C. In pursuance of this a requisition meeting of the B. P. C. C. was held on the 10th February at the office of the Bengal Provincial Congress Committee in Bowbazar Street. Sj Jitendra Lal Banerjee, President of the B. P. C. C., presided.

The supporters of the requisitionists which included the members of the Karni Sangha attended in large numbers. Sj Nirmal Chandra Chander and Sj Tushi Charan Goswami who arrived from Delhi in the morning and Dr. J. M. Das Gupta who arrived from Barisal also attended.

Mr. J. M. Sen Gupta was not seen at first in the proceedings but he came in a few minutes after it had commenced. Mr. S. C. Bose came just in time and took his seat by the side of Sj T. C. Goswami.

At the commencement of the meeting the President intimated that he would wish to finish the proceedings by 8-20 P. M. and therefore requested the members to help him in the matter.

The President next asked Sj. R. N. Sasmal, Secretary of the B. P. C. C. to read the letters sent by some of the members from outside who could not attend the meeting owing to unavoidable circumstances.

In compliance, the Secretary read the letters sent by Sj Nagendra Nath Sen of Khulna Zilla Congress Committee and Sj Jogendra Nath Chakravarti of the Dinajpur Congress Committee. The writers of the letter requested the members of the B. P. C. C. not to dissolve the present executive body but to give them the opportunity to work. They did not want a division in the house and appealed to members to unite and stand shoulder to shoulder for the best interests of the country.

The Secretary next read the notice of the requisition meeting signed by 21 members.

Sj-Kiran Sankar Roy thereupon moved the following :-

"Whereas the recent Executive Council of the B. P. C. C. do no longer enjoy the confidence of the B. P. C. C. for having elected Sj R. N. Sasmal who has been working against the Congress for some time past as the Secretary, be it resolved that the Executive Council be dissolved and a fresh Executive Council be elected in its place at the meeting.

Sj. Upendra Nath Banerjee seconded the resolution.

At this point Sj Nalinakhyia Sanyal moved for an adjournment of the house for one minute as a protest against the requisitionists' conduct to call this meeting which was in his opinion a mere waste of money, time and energy.

The speaker said that the Congress had not come to such a position that a requisition meeting was necessary to dissolve the present Executive Council. If there was a difference of opinion that could be amicably settled and there was no necessity of calling members from different parts of the province.

Sj Nalini Nath Ghose seconded the motion.

Sj. Naikesh Nath Misri next moved the adjournment 'sine die' and advised the members to give opportunity to the present Executive to work.

Sj Kiran Sankar Roy opposed both the motions and said that they wanted to settle the matter amicably but they were compelled to call the meeting.

Moulvi Ahmed Ali supported the adjournment motion and said that he did not understand why this requisition meeting was called. Nobody wanted to do any

work but they all wanted to capture the B. P. C. C. that was a mystery which he was so long trying to solve but failed.

Proceeding, the speaker said that it was nothing to capture the Corporation, B. P. C. C. or the Council if they did not unite and stand shoulder to shoulder to work for the best interest of the country. To-day they would dissolve the present Executive body and form another and to-morrow that Executive body would be dissolved. If the members of the B. P. C. C. were engaged in forming and dissolving the Executive body every day they would hardly find time to serve their country.

Sj Upendra Nath Banerjee contended that Mr. Sasmal in his presidential address at Krishnagar wanted to drive away a certain section of the workers from the Congress which included even a man like Sj Subhas Chandra Bose. If Mr. Sasmal wanted to forget the past, he should immediately vacate the seat which he occupied as he had succeeded in coming there by the back door.

Mr. Sasmal, to cut the matter short, categorically refuted the charge and again expressed his heart-felt regret if any one had taken any personal offence by the observation he had made.

Dr. B. C. Roy enquired as to whether Mr. Sasmal told him at Midnapore when he refused the Congress nomination that he would expose Sj. Subhas and others and that was why he did not accept the Congress nomination.

The President ruled it out of order and Mr. Sasmal said he would reply later on. Several voices were heard then that the same thing could be said of Dr. Roy.

At this stage, as the President was going to take votes upon the motion, Mr. T. C. Goswami asked him to stand up and read the name.

Gladly doing so, the President said : But before I go further, there is one matter to which I should like to draw your attention. I do not wish to put the thing upon any personal ground at all, but since you have written to the press that you do not believe in the habitual use of Khaddar, I shall leave it to yourself whether you should take any part in the proceedings or not. (Cries of No, no)

The President concluded that he left the matter to Mr. Goswami's sense of honour. If, however, he voted, he would not raise any objection.

Votes being taken the President declared the adjournment motion lost, 100 for adjournment of the house and 100 against. Messrs Sen Gupta, S. C. Bose, Akhil Dutt, Nalini Ranjan Sarker, T. C. Goswami, N. C. Chunder, Dr. B. C. Roy voting against the motion while Messrs B. K. Bose and Sukumar Ranjan Das voting for the motion.

Before the main subject was again taken up for discussion, Sj Suresh Ch. Bhattacharya rose on a point of order and questioned the legality of the requisition, as in his opinion the rules of the B. P. C. C. did not permit it. He said that in the rules there was provision for removal of an individual member from the committee, provision for disaffiliation of the District Congress Committees but no such provision was made in the rules for the removal of the Executive in a body, specially removal of it for having elected Mr Sasmal as Secretary.

The President inviting discussion, Mr. J. M. Sen Gupta said that in his opinion the parent body had the right to remove the Executive. He quoted convention in his favour and added that he knew that had he consented to become the President, no occasion would have arisen. But he had come there to protest against the manner in which the Congress work was being ruined by the Executive. After quoting his decision on a similar point on June 13, he was going to address the meeting generally when there was a breeze between the President and Mr. Sen Gupta, the President asking him to confine himself to the point of order. Mr. Sen Gupta said that if he was not allowed to speak, he must sit down. The President said that that was unfair to him. All that he asked Mr. Sen Gupta was to confine himself to the point of order. Mr. Sen Gupta then resumed his seat.

Mr. T. C. Goswami thought that since the requisition notice had been circulated, it was in order.

Mr. N. C. Chunder reminded the President of the All-India Congress Committee upon the point in the fight between the No-changers and Swarajists in 1923.

The President : You need not remind me of that. My memories are quite accurate.

Mr. S. C. Bose remarked that the right of appointment always carried with it the right of dismissal.

A voice : Can you be dismissed from the University Constituency ?

Mr. Bose said that in the absence of any provision, they must fall back upon convention.

Replying, S^r Suresh Chandra Bhattacharya pointed out the difference in the ruling given on other occasions to which reference had been made and said that the meeting was not properly convened.

The President said that the point of order raised by Mr. Bhattacharya was whether the executive as a body could be removed or not. He remarked that the first point was far from being free from difficulty. Mr. Bose had depended upon the inherent right of the parent body (in this case the B. P. C. C.) to discuss or remove from office any subordinate executive body which might have been appointed by itself. Messrs Sen Gupta and Chunder had relied upon precedents. He would deal with the latter point first. The precedent cited by Mr. Sen Gupta was practically valueless ; it was a decision given by Mr. Sen Gupta himself and it was no more binding upon his successor. But the precedent cited by Mr. Chunder was certainly more cogent and valid and the President had more reason to remember it than anyone else present. In 1923,—the matter was referred to the All-India Congress Committee which appointed a sub-committee with Moulana Mahomed Ali as President and others. Mr. Banerjee said that even there he contended that the B. P. C. C. had no power to dismiss the Executive but the committee decided the other way and up till now that was the only precedent in point.

But the question could not be decided wholly by precedents. What were the rules ? They were not silent upon the point. The rules provided and laid down a procedure for removal of individual members but they did not lay down any procedure for the removal of the Executive. On the contrary, they expressly provided that the Executive were to hold office for a time. The rules therefore seemed to provide by implication that the Executive could not be removed within the course of the year.

In spite of this, Mr. Banerjee was inclined to think that the parent body ought to have some control over the Executive. But the question was, how was that control to be exercised ? He thought that the best way to allow a wholesale convention to grow up in their midst, the convention being that the Executive should resign if any vote of no confidence was passed upon them. He therefore suggested that the requisitionists should alter their resolution and instead of pressing for the removal of the Executive should simply pass a vote of no confidence in them. He assured them that the Executive would at once resign if such a resolution was passed, he for his own part certainly would resign.

The suggestion was accepted by Mr. K. S. Roy on behalf of the requisitionists. The meeting was then adjourned.

The Committee met again on the next day the 11th FEBRUARY under the presidency of S^r Jitendra Lal Banerjee. After the statement of S^r B. N. Sasmal, Secretary in which he expressed regret for certain lines in his speech which he delivered at Krishnagore was read, there was a talk of compromise and a Committee was formed to come to a settlement. The President adjourned the house for half an hour and the members of the Settlement Committee retired to a room. After about 3 hours the President and the members of the Committee returned to the main meeting and announced that the compromise had failed.

MR. SASMAL'S STATEMENT.

The following is the text of Mr. Sasmal's statement :—

"In my statement published yesterday in the papers, I promised that if I were convinced that in my Krishnagar speech I had actually referred to the political detenus and sufferers and had also wounded their personal feelings, I would, as a gentleman, make amends and express regret most sincerely. Now, from the discussion that I had last night with several of my friends, who are political sufferers, I am convinced that certain sentences in my speech can be honestly construed in that way and so I not only express sorrow but also beg to announce that I withdraw unconditionally the whole paragraph of my speech relating to Terrorism or Anarchist conspiracy (pp 8 and 9) and the other objectionable portion thereof in pages 29 and 30 i. e. all the sentences beginning from the words and ending with the words....." I trust, this will satisfy those who have been offended and whose co-operation in our struggle for political freedom I value so much."

The compromise having failed, the President next called upon S^r Kiran Sankar Roy to move his resolution which ran as follows :—

"Whereas the Executive Committee of the B. P. C. C. has appointed Mr. B. N. Sasmal as Secretary, be it resolved that the Committee do no longer enjoy any confidence."

Sj. Upendra Nath Banerjee in course of his speech said that after the statement of Sj. Sasmal, there could not be any difference between themselves and Sj. Sasmal. The speaker hoped that in future Sj. Sasmal would help them in doing the work of the B. P. C. C. harmoniously. They must forget their past now and work with good feeling for the just interest of the country. In conclusion he said that the present members of the Executive Council would vacate their seats and new members would be elected in their place to guide the B. P. C. C. along the right path. Sj. Amarendra Nath Chatterjee expressed the same opinion. In conclusion he hoped that the requisitionists would withdraw their resolution after the statement of Sj. Sasmal.

Mr. Wahed Hossain said that he wanted to make a few observations in regard to the suggestion of a compromise. He was glad to find that a compromise had already been effected. He was sorry to say that he heard some rumour that the post of Deputy Mayor and Chief Executive Officer had been offered to him. That report had no foundation at all. Such petty inducement had no attraction for him. The only call was to serve the country through the Congress which was the only national institution.

The President then adjourned the meeting for half an hour to arrive at a compromise if possible and the members elected for the purpose accordingly retired to a room.

After three hours' debate the members returned to the main meeting and the President announced that the Committee could not come to a compromise.

Some of the members asked the President to give them the details of the debate regarding the compromise.

Mr. B. N. Halder enquired whether the dispute was over one or two men or over the whole body of the present Executive.

The President then wanted to put the motion to vote.

Before the resolution was put to vote Mr. Kiran Bankar Roy questioned the validity of some of the members voting.

Sj. Upendra Nath Banerjee said that he had a great hope that they would be able to come to a settlement and that he felt disappointed. He emphasised that the Bengal Pact was negatived by the resolution of the Unity Conference subsequently adopted by the Working Committee of the Congress. As regards the election of fresh office-bearers, they proposed the names of Sj. Akhil Chandra Dutta and Sj. Nirmal Chandra Chander and Sj. Jitendra Lal Banerjee agreed to that. As regards the Secretary they wanted to elect such a man who would be welcomed by all.

Srijukta Urmila Devi said that they tried their best not to change the Secretary and the President. After some discussion to make a fair compromise they proposed the name of Sj. Nirmal Chandra Chander as the President and Sj. B. N. Sasmal as the Secretary. That proposal was not accepted and therefore the compromise was not arrived at.

Hazi Abdul Rasid Khan said that they did not like to spoil the compromise. Let the Executive be re-elected and they would put their grievances before them. If their grievances were not redressed, they would retire in a body.

After some further discussion on the debate which took place regarding the compromise, the President put the "No confidence" resolution to the vote which was carried by a narrow margin of 4 votes. The President and Sj. Lalit Mohan Das then tendered their resignations in writing. The meeting then terminated.

Dispute between Rival Factions

The political atmosphere in the B. P. C. C. however took a peculiar turn following upon the decision of the Secretary, Mr. B. N. Sasmal to postpone the B. P. C. C. meeting fixed for March 2. Mr. J. M. Sen Gupta and a number of other prominent Congressmen issued a statement pointing out that Mr. Sasmal had no power to postpone the meeting which would thus be held on the appointed day. This again was regarded by some as unconstitutional and while this was the position, certain prominent members of the Karmi Sangha and Swarajya Party entered the

B. P. C. C. office on the 1st March to take possession of it. Members of the opposite party also entered the premises and after some of the Karmis who were inside the office room had left the place, it was reported that the main entrance was closed to prevent further inrush of people. According to a statement issued over the signatures of Mr. J. M. Sen Gupta, Mr. T. C. Goswami, Dr. B. C. Roy, Mr. S. C. Bose and others, some of the members of the B. P. C. C. who had gone to the Congress office in the evening were confined there by the gate being locked and men armed with lathis preventing further egress. Up to a late hour some of these were still confined, while others were being refused admission. It was alleged that forged telegrams had been sent to different parts of Bengal asking followers of Mr. Sen Gupta not to attend the meeting; allegations of removing Congress property and important papers from the office were also made against prominent followers of Messrs. Sasmal and J. L. Banerji.

Next day, the 2nd March 1927, feeling was running high in consequence of the above incidents. The office of the B. P. C. C. was kept under lock and key in the morning. Members of the Opposition party held a meeting at the house of Mr. Nirmal Chandra Chunder in the evening. About 150 members were present. A new Executive was appointed with Mr. Akhil Chandra Dutta as President, Sreemati Sarala Devi and Mr. Lalitmoan Das as Vice-Presidents, Mr. J. M. Das Gupta as Secretary and Dr. B. C. Roy as Treasurer.

While these things were going on a telegram was received in the morning from Mr. Srinivasa Iyengar appealing to all Congress leaders and workers for an honourable settlement in the name of the Congress and political prisoners detained in jails.

Mr. J. M. Sen Gupta's Statement

According to the statement issued late at night on the 2nd March by Mr. J. M. Sen Gupta, the meeting was held in pursuance of a notice issued by Mr. B. N. Sasmal on the 15th February. A large number of members of the Bengal Provincial Congress Committee went to its office in Bowbazar Street at the appointed hour. As, however, they found the main gate shut against them and bolted and barred, and in spite of their waiting till an hour later the Durwans refused them admittance, they came away in a body and held a meeting in Mr. Chunder's residence. Of the total number present, four left the meeting as they considered that it was unconstitutional. Mr. Sen Gupta pointed out in reply to a question that Mr. Sasmal's notice postponing the meeting was not valid and the reasons given by him for postponement were incorrect and *malu fide*. It was a revolt against the B. P. C. C. One of the members present enquired if every one there was a member of the B. P. C. C. Asked by the Chairman if they were, all of them, replied in the affirmative, none being challenged. The motion for adjournment having been declared lost, the meeting resolved that in view of the vote of no confidence in the present Executive the seats of members of the Council including office-bearers might be declared vacant and that all acts except routine work done by the Council since February 11 might be declared invalid. Dr. Das Gupta, the newly elected Secretary, was authorised to take steps for the purpose of obtaining possession of all records, letters, registers and properties of the B. P. C. C. from the outgoing office-bearers. The office of the B. P. C. C. was temporarily located in a room in College Street Market.

Mr. Sen Gupta read at the meeting a communication from Mr. J. L. Banerjee proposing an arbitration board with Mr. Srinivasa Iyengar as President to settle the differences in the Congress ranks, but the sense of the meeting was that the opening of the gate of the Congress office with free ingress and egress was a condition precedent to any talk of compromise.

RIVAL FACTIONS FORMED

Mr. B. N. Sasmal's Statement

Mr. B. N. Sasmal, in his turn, issued a statement explaining why the gate of the R. P. C. C. Office was kept closed on the 2nd March. One of the reasons according to the statement was that some people were determined to take forcible possession of the House. As a result of this, the Executive Council decided that properties of the R. P. C. C. should be removed to his house for safe custody. Most of them were, in fact, removed by him but the paid officer of the R. P. C. C. refused to hand over to his men the type-writer belonging to the Committee declaring that he could not part with it inasmuch as he was in charge of it on behalf of the Swarajya Party. Mr. Sasmal, however, took steps to remove the machine although he had to sign a formal receipt for the articles he had taken possession of. On the morning of 1st March when he went to the office, he was informed that the office room had been broken open and occupied by a number of men who were residents of Calcutta. Soon after, he was informed that the telephonic connection had been cut off and as a matter of future safety, the gate was locked up in the evening when certain strangers were noticed entering the office and refusing to vacate when demanded. Besides, although Mr. J. M. Sen Gupta and others had announced that they would hold their meeting to-day at the R. P. C. C. Office, they did not send him any information officially in spite of his having postponed the meeting previously.

Mr. J. M. Sen Gupta and several other Congress leaders alleged that some of their men were confined in the Congress Office by the main entrance being locked, while others were being refused admission. Mr. Sen Gupta also alleged that certain properties belonging to the Congress including important papers have been removed from the office of the Provincial Congress Committee.

Failure of Compromise Move

Subsequently, a meeting of the Executive Committee of the B. P. C. C. was held on the 4th May 1927. The Secretary, Mr. B. N. Sasmal, was authorised to issue the following statement and resolution :

"Mr. Srinivass Iyengar, President, Indian National Congress, during his stay in Calcutta proposed before us the following terms of compromise as proceeding from the other party to the Bengal Congress dispute, viz., (1) that a general meeting of the B. P. C. C. should be convened over the joint names of Messrs. B. N. Sasmal and J. M. Sen Gupta; (2) that at this meeting a new Executive Committee will be appointed consisting of members taken from both parties as far as possible; (3) that two members of our party, viz., Dr. Pratap Chandra Guha Roy and Mr. Anath Nath Mallick should in no case be included in the new Executive Committee; (4) that the office-bearers should be entirely recruited from the opposite party with the exception of one Vice-Presidentship which might be filled up by Mr. B. N. Sasmal or Mr. J. L. Bannerjee as our party might decide; (5) that even as regards the above conditions the other party could not give any assurance that they should be carried out.

REFERENCE TO THE A. I. C. C.

"These terms, specially the forced exclusion by name and without any reason assigned of Messrs. Pratap Chandra Guha Roy and Anath Nath Mallick, were such that no self-respecting body of men could possibly accede to the same. Our representatives felt bound accordingly to reject them and, all chance of agreement by settlement being thus at an end, we have no alternative but to demand that the dispute be referred to the Election Dispute Panel of the A. I. C. C. Accordingly this meeting of the Executive Committee of the B. P. C. C. resolves: (1) that a representation be sent to the President, A. I. C. C. demanding that the Bengal Congress Committee dispute be referred to the Election Dispute Panel with a view to decide which of the two Executive Committees is the legally elected and constituted body; (2) that this meeting hereby nominates Mr. Rajendra Prasad (of Patna, Behar) to act as their representative on the said Panel."

Arbitration Board's Award

Accordingly, on the 16th June 1927, the Arbitration Board appointed by the All-India Congress Committee to settle the disputes

BENGAL CONGRESS COMMITTEE

gave the following award. The Board consisted of Messrs. N. C. Chunder, A. N. Ghose and Muhammad Akram Khan as members.

The matter of the disputes regarding the Executive Council and office-bearers of the Bengal Provincial Congress Committee was referred to us for final disposal by the resolution of the All-India Congress Committee made on the 17th of May 1927. We have held several sittings and have met and examined almost all the members of the different contending groups who took prominent parts in the fight except Mr. B. N. Basu who did not choose to appear before us. We have carefully discussed the points which arose for consideration or to which our attention was directed. Although our reasons are dissimilar on several points we have arrived at the same conclusions. We therefore do not propose to give reasons for our decision.

Our unanimous decision is that both the Executive Councils shall cease to exist and both the groups of officers must cease to function forthwith and a meeting of the Bengal Provincial Congress Committee shall be called as early as possible to elect a new Executive Council. We do not think that we should leave it to either group of office-bearers to call that meeting as we are not prepared to take the risk of another impasse.

We therefore propose to issue a notice calling a meeting on the 26th of June 1927 at 1 P. M. at No. 116, Dowbazar Street to be presided over by St. Lalit Das, failing him Maulvi Wahed Hossain. This meeting will elect the new Executive Council and take such measures as may be necessary to legalise the forthcoming election of the members of the Bengal Provincial Congress Committee.

We are asked by one of the groups of disputants to form an Executive Council and to appoint office-bearers. We are of opinion that we cannot possibly do so in as much as the All-India Congress Committee whose delegated powers we are exercising have no jurisdiction to substitute nomination by themselves for election by the Bengal Provincial Congress Committee. What we propose to do is this. We are members of the Bengal Provincial Congress Committee and we venture to think that it will be conceded that each one of us has been very intimately connected with the Congress movement in Bengal during the last seven years. If, therefore, not in our capacity as Arbitrators but as comrades who alone have had advantage of having heard practically all the parties interested and of having shifted the evidence oral or documentary adduced on either side try to help the vast body of the members of the Bengal Provincial Congress Committee who have no partisan spirit in the matter though they may be ranged on one side or the other by making our recommendations to them as to the persons who, in our opinion, should be elected, our action will not, we trust, be misunderstood. We have accordingly drawn up a list and we propose to hand it over in a select cover to the Chairman of the meeting of the 26th of June 1927 so that the members present may consider the list before proceeding to election.

We desire to make it clear that in making that list we have tried our best to steer clear of our personal likes and dislikes and we do hope that the fact that except in one instance the list represent our joint and unanimous opinion will be accepted as a guarantee of our good faith.

As a result of the above award both the Congress Committees were dissolved and a fresh election took place on the 26th June under the presidency of Mr. Lalit Mohan Das. Babu Akhil Chandra Dutt and Dr. J. M. Das Gupta, members of the Bengal Council, were elected President and Secretary of the Bengal Provincial Congress Committee respectively. A new Executive Committee was also elected. A large number of members were present including Mr. J. M. Sen Gupta Mayor, and delegates from the mofussil.

Gandhi-Saklatvala Correspondence

Mt. Saklatvala's open letter

The following is the text of the open letter addressed by Mr. S. Saklatvala to Mahatma Gandhi during his stay in India:—

Dear Comrade Gandhi: We are both erratic enough to permit each other to be rude in order to freely express oneself correctly, instead of getting lost in artificiality of phrasology.

I realise the khaddar movement as it stands is not entirely your virtue or vice, but your ardent and enthusiastic followers have added much to or subtracted from your intended programme. However the world must guide itself by practical results.

THE CHARKA MOVEMENT.

Several of your enthusiastic supporters have assisted me greatly by criticising me openly in the public press. Unfortunately my present nomadic life with a very heavy programme of work in every town I go prevents me from carrying on my correspondence or journalistic work. However these several critics have effectively replied to each other and each one has tried to prove a different case on your behalf. You may not be responsible for creating this confusion. But I consider you are in duty bound now to clear it. Let us understand openly whether the Charka movement is or is not an attack upon machinery, upon physical sciences, upon material progress. If it is so, then it is a most damaging disservice to our country and must be stopped. If it is not so, then your ardent followers ought not to be allowed to believe that it is so.

WHAT IS ART ?

Is it or is it not a protest against artistic development on up-to date lines, irrespective of geographical or national considerations as to their source ? What is art but a free display of human taste, both instinctive as well as acquired ? One of your critics maintains that your movement was to drive away western fashions, etc., and when I discovered that the khaddar production was doing nothing of the kind, another critic blames me as if I was suggesting that it should try such an impossible as well as harmful procedure. In view of this confusion, you ought to give a clear lead that you would like in every modern article of life in all forms of designs eastern or western or mixed to be produced in Khaddar.

KHADDAR—AN EARNING POWER ?

As to the economic argument that Khaddar adds to the earning power of the agricultural worker, I consider that to be a feeble case altogether. It is pointed out to me by a newspaper correspondent that if I had seen the great ocean of khaddar in India in 1921 and 1922 and the tremendous enthusiasm of people at that time, I would not have ventured upon the criticisms that I am now doing. That is perfectly true, but this conclusively proves that my criticism now is fully justified, and that all that ocean of khaddar and all that enthusiasm has dwindled if not disappeared on their merit or demerit, long before I came here and offered my criticism. It is the duty of every sincere public man in India to find out how and why this tremendous enthusiasm was created, how and why it died out and how far the faults or the mistakes of your followers have been responsible for this state. The present condition of affairs demands a criticism and not condemnation of criticism. The methods adopted by other countries of organising labour and peasantry and guiding and leading the workers in factories or farms to obtain their rights have produced far more benevolent and efficient results in human life than the two annual-a-day charka movement will ever do. The Government schemes of canals, scientific manuring, carrying on agricultural work by machinery will add ten times more to the economic prosperity of the peasantry than the Charka, but you have

already described this Government to be Satanic. Let us have a clear idea as to your position in this matter. Is a person adding to the economic value of the poor peasantry a friend or an enemy of the poor? I want you to put one question to your own conscience, irrespective of public articles—had you come out in this country after the general failure of your attempts to free Indians in South Africa from political and civic slavery, and after the mess you made with some young Indians in London in drawing them into some direct or indirect service of war, would India have given you any importance, would India have allowed you to take this political leadership, would India have poured in lakhs of rupees in response to your demands if you had said that you wanted all this only for the purpose of adding Rs. 2 a day to the income of barely three per cent. of Indian peasantry? Were not all these great powers laid at your entire disposal because you made a definite political promise and allowed the people at least to believe that you had some plan or method which would quickly within a limited period of less than two years give to India political freedom from the British yoke? Now where do we stand with regard to the primary object of the charka movement and its position today? Are you shifting your limit of two years to four years or to twenty years or to two hundred years? Do you suggest that a rise of Rs. 2 income, say of the whole population, is a process which is going to drive the British out of this country, or do you suggest that a still higher figure will have to be reached? Did you believe this Government to be Satanic because it brought poverty upon the people, did you then believe that this poverty could never be cured before the Satanic Government was overthrown? Do you now believe that you can improve the economic condition of the people without removing this Satanic Government or without any reference to politics, or, have you suddenly come to conclusion that the immediate poverty of the people has touched your heart so much that you launch out into that problem of life and have made up your mind to ignore the problem of existing political slavery of the country?

ECONOMIC VIRTUE OF CHARKA

Reverting to the economic value of charka, it is the admitted experience of the whole world that out of all handicrafts in competition against machinery, hand-spinning is of the least economic value, hand-weaving, embroidery, carpentry, shoe-making or making of any kind foot-wear, etc., have a much higher value. If you would look at the Parsee Girls' Industrial Home in Karachi or a still more splendid institution of the Hindu Orphanage at Surat, namely the Hardevram Vakil Hindu Orphanage, you will realise how the earning power of the helpless poverty-stricken people can be improved by Re. 1 to Rs 2 a day. I clearly see that such crafts cannot be taken up on a large scale by all villagers, whereas hand-spinning can. But why do you persevere in hand-spinning with superstitious adherence, and why not introduce alongside of it other more profitable handicrafts for a few persons in each village if economic salvation is your present object?

"ROBBING PETER TO PAY PAUL"

You are not teaching the people to wear more clothes than before, your own example would rather lead them to wear less. At the same time you are teaching more people to produce clothes, and how can you fail to realise that you are robbing Peter to pay Paul, and while you are improving the economic condition of some you are doing it at the expense of others. Sensible economists, socialists and Trade Union Organisations have, within a short period, increased the economic earning of their followers by more than a 100 per cent; they have taught their followers to use more food, more furniture, more clothes; they have thus created great demand, which has taken away the burden of man from the land, and have left the land workers more prosperous than before. You are afraid or unwilling to follow the natural and sensible course, which is of course very inconvenient to few rich manufacturers, merchants and zamindars who grow rich by starving millions of people. You are freely receiving gifts from these selfish rich in order to carry on work in the opposite direction of increasing the economic value of workers in industries or on land. The poverty of the population on land can easily be remedied, instead of being played about with, by bravely fighting the causes which directly produce such poverty such as, the unnatural and unjustifiable rights of the zamindars over God-created land and low wages of Agricultural labourers.

Thus I say that if you had not put forward political claims you would never have acquired the power and opportunities which you have, and if you had purely

economic aims, you are standing against the economic interests of the masses and in favour of the interest of the classes by deliberately non-co-operating with and indirectly obstructing the work of those who would bring about an ex-economic regeneration of the people along lines that have proved successful in all parts of the world.

"ENTIRELY WRONG THEORIES"

You have raised the objection against Western methods of organising Labour on your mistaken notion that such a process would introduce class war and that acute oppression of capitalists over labour does not exist in India. In both these theories you are entirely wrong. Those who organised labour had not created class war. Modern system of production, Commerce and Finance produces class war, the parties in which are the capitalists and the workers. Those who organised labour are doing nothing but the great moral work of helping and strengthening the weaker of the two parties in that class war. Those who organise labour always do so deliberately with a view to abolishing class distinction by making capital the common property of all, and by making manual or mental labour the common duty of all. This alone will stop class war, and you who would not assist in organising labour, help in the continuance of class war which is going on every day in all industrial countries of the world, among which India to-day occupies the fifth place and not an insignificant place.

"Class War So Acute in India"

The acuteness with which class war operates upon the wage-earners of India is more than in most of the advanced European countries where, thanks to the organisers of Labour, several of the cruelties of class war are being removed. Just look at the palatial houses of any mill-owners of Bombay, Ahmedabad, Nagpur or Calcutta and look at the disgraceful and diabolical one-room tenements of the poor workers devoid of all furniture, appointments or artistic embellishments. Such acute difference between dwelling conditions of the rich and poor does not exist in Great Britain, America or any part of Europe where labour is well organised. It is unjustifiable defence of the rich industrialists of India to describe them in the world as endowed with some special virtues, when all the facts of poor people's life proclaim loudly that these virtues are not existent. The personal obsequiousness of the poor workers towards their masters, the utter helplessness before arbitrary dismissals and the ill-treatment as it actually exists in India everywhere is unthinkable in Europe or America, where labour is organised and your defence of the Indian master class is an unpardonable mockery of the poor suffering working class. The way in which Zemindars, Khotas and Mulguzaries claim by force the labour of their tenants at certain seasons for half an anna a day is a diabolical disgrace to humanity and does not exist in countries where modern Agricultural trade unions are existing. That is not all. The class war in India is literally murderous and more cruelly murderous because it is infanticidal. Best analyse the figures of death. The death rate of the adults and specially of the infants in large industrial towns is much more in excess of the normally bad death rate of India. Now kindly follow me in still closer analysis of these figures obtained from municipal health officers of infantile mortality of the well-to-do Parsees, Hindu and Mahomedan families in Bombay, Ahmedabad, Calcutta or other industrial towns. You will find that the mortality amongst infants under 12 months of age among the rich would be about 80 to 90 per thousand whereas the infantile mortality in the Municipal Wards where the factory workers live would be from 600 to even 800 per thousand. Such a damnable attack upon human life is unknown in those countries where the working classes are organised. To defend such a position is criminal but for anybody to go even further and to throw dust in the eyes of the world that class war is not operating acutely in India is inhuman and monstrous and I have always felt that through your misguided sentimentality, you have preferred to be one of them. Then take the other important elements of life—the dignity, the consciousness and the self-respect of man, and look at our unfortunate clerks, teachers, postmen and Railway Station staff, etc. The treatment which they are made to suffer and are almost habituated to is a disgrace to human society and the only salvation out of it is efficient labour organisation. Class war is there, will continue to be there till a successful scheme of communism abolishes it. But in the meantime not to organise the people and not to struggle against its evil effects from day to day is a doctrine which cannot appeal to any genuine humanitarian.

During my conversation with you at certain periods you did not seem to take a definite attitude with regard to the value of organisation of labour and peasants. You emphatically argued that the Charka movement was making organisation. I emphatically deny it. There must be conscious and deliberate work of organisation to be carried out for its own sake in a proper scientific manner and for the purpose of our national object with a straight-forward and unconcealed imparting of political consciousness. The same similarity of operation of the working of Charka with some vague idea, religious zeal or economic welfare on a great Gandhijee's command does not and cannot do any effective organising work and cannot create and has not created any political consciousness. For centuries together millions of men and women in India have been boiling rice, utilising similar quantities of rice and water and conducting cooking operations of similar nature, doing some industrial work when cooking it and producing food of economic value without buying ready-made food. All these operations surely have not produced any organisation and the work of spinning can never do so any more than the work of cooking.

Psychological Value Of The Movement

Then we come to the psychological value of the movement. This was great. It began well and it almost became wonderful at a certain stage. But why create a psychology if you do not intend to mobilise the spirit so created, and if you do not intend immediately to form men and women into an organisation for a definite material object while they are under a psychological influence and before that influence passes away? That is exactly my complaint and the bitter disappointment of your world critics against you. You missed an opportunity and you only opened the eyes of the political opponents of India, and by your inaction after a certain psychology was aroused, you only brought India under a tighter grip of her opponents and made her enslavement a little worse than before. Not only that, but the position of India worsened that of Egypt and for a time of China and at any rate became harmful in Turkey, Persia and Afghanistan. All these people have a right to complain against us if we bungle our affairs in such a manner as to have an indirect harmful effect upon them. Whatever may be the feelings of some of your ardent admirers, I hope you and I are both agreed that we are both very common and ordinary persons. The political world that lives, works and struggles consciously, can analyse you or me with the same completeness as dissecting an ordinary insect. After the year 1900, the world changed from what it was immediately before the year 1900. Before 1900 leaders who gave expression to submission and to legislative hypocrisy and worked to build up hopes of salvation on such instrument of legislation were popular leaders, as Gladstone was to the British, Bismark to the Germans, or Parnell to the Irish or Dadabhai or Pheroze Shah and Surendra Nath to the Indians. By the year 1900 the masses of men got tired and sick and their hearts began to burn with fire. The change came on very rapidly and universally and only such individuals as expressed the burning fire of the heart and the revolt of the suffering human beings were taken as leaders. The first task of these leaders was to express boldly and fearlessly the unexpressed voice of the people. The second task of these leaders was without waiting for the new to obstruct the old with such efficiency as to make it absolutely impossible for the old order to continue to function. The third task was to reconstruct and arduously and slowly to build up a new life. Ireland produced a De Valera. He did No. 1 and No. 2 and his people are now bravely carrying on his task No. 3. Russia has produced Lenin. He did No. 1 and 2 and, though his life was short, he led his people on the right path regarding No. 3. Turkey produced Kemal. He did No. 1 and No. 2 and is fortunate enough to be living and vigorous to carry on his task No. 3. China produced Sun Yat Sen. He completed No. 1 and No. 2 and after his death his well organised and well disciplined followers are carrying on task No. 3. In Italy, though in contrary direction, Mussolini plays the same individual part. India at that moment announced to the world her lead to be Gandhi. You performed No. 1 but you abandoned task No. 2 and so task No. 3 is out of the question and we are so overwhelmed with the disastrous defeat at the second stage of your struggle that our lot to-day is harder than before to attain success over the conditions of the past. Instead of making the past conditions inoperative, they have become more rigorously operative in India and now worse still, the hopes of a future struggle are being continually lessened even by the reversal of the psychological advantage that we had. Your own admission and that of your followers as well as the facts of life make it clear that the psychology and

MR. SAKLATVALA'S LETTER

the enthusiasm of the early days has vanished and the readiness of the people to work for the rightful heritage is turned into hesitancy and fear. It is from this point of view that we, who observe your mistakes and carefully study your further perseverance into them, that we make bold to demand from you in the name of the suffering humanity of India, as well as of other countries, that you give your services to humanity in consultation and co-operation with others so as to retrieve the lost position. Pray do not misunderstand me as "attacking" you or wishing for your disappearance from public life. The purpose of this letter is to show you the faults and defects of your policy and your acts, and therefore, this letter contains only your defects, but it by no means argues that you do not possess qualities that are estimable and that can be yet of great value. These qualities require no enumeration.

The great psychological wave having once died away the perseverance of yours and of your immediate disciples in the same direction automatically becomes a degenerate form of the original activities. Here again, you must permit me to speak as man to man.

You have created an influence over your countrymen in the lowest strata of society wider and deeper than anybody else. However, what is your real object? If your object is metaphysical or religious, your policy should be to cultivate a psychology of obedience and reverence towards you and diffidence in themselves as compared to your great self. If your purpose is to give your share in the national and political work, your approach to the people should be on terms of absolute equality and your task must be to inspire confidence into them. From this point of view you must stop allowing people to address you as a Mahatma. I have heard from your many friends that you have never wished this word to be used, and no one really expects you to do otherwise, but that does not mean that you should not or that you cannot suppress it immediately. You can easily refuse to receive letters so addressed and you can easily refuse to attend functions where you are advertised with this appellation. You have only to declare your wish publicly instead of whispering about it to a few friends and the thing will be done. With some experience of political propaganda and mass mentality, I am speaking to you in earnest that our first approach to the people must be based on the fact that our powers are not greater than that of others. If you go into a bunch of villagers and start out by being called and known as a brother you create a sense of confidence and self-reliance in them. If you go to them with a long story first spread by your friends about 11 days fasting and then with a discovery of yourself as a Mahatma, even though the villagers may think about your charka with a superstitious awe, they acquire no confidence in themselves and they will only believe that what you say or do is the task of such superior persons and high souls like yourself and not of ordinary mortals. Such a mentality spread wholesale over the country becomes most injurious in the long run. You should rigorously stop crowds and processions of human beings specially poor women and little children passing you with folded hands and down-cast eyes. Once you create this phase of abject submission of man to man, no wonder that you should yourself despair of obtaining civil disobedience from your own followers. You now complain that the masses are not ready for any such self-assertion, but even if that were so, your whole procedure is certainly not making them more ready for it.

REMOVAL OF UNTOUCHABILITY

Then there is one thing that I witnessed at Yeotmal which has hurt me greatly and I had slight evidence of it before. Your work regarding the removal of untouchability is grand in its aspiration, and is not bad in its success as it is generally carried on. However, I strongly object to your permitting my countrymen and countrywomen to touch your feet and put their fingers in their eyes. Such touchability appears to be more damnable than untouchability and I would sooner wish that two persons did not touch each other than anyone human being should be touched by another in the way in which you were touched. The depressed classes were subject to a sort of general disability, but this new phase of a man of the depressed class worshipping the feet of his deliverer is a more real individual depression and degradation of life and however much you may misunderstand me, I must call upon you to stop this nonsense. It is no use saying that you don't like it; it is a matter of your not stopping it when nothing is easier in the world for you than to stop it. You are ruining the mentality and the psychology of these villagers for another generation or two. You

are preparing the country not for mass civil disobedience but for servile obedience and for a belief that these are superior persons on earth and Mahatmas in this life at a time when in this country the white man's prestige is already a dangerous obstacle in our way. Politically this career of yours is ruinous and from a humanitarian point of view its degenerating influences appear to me to be a moral plague.

INDUSTRIAL LABOUR

As regards the organisation of industrial labour, you are not ready to give your share, when we know that your co-operation would be of a higher value in inviting workers to the fold of Trade Union Congress. You don't realise that by such co-operation you would actually help in preventable deaths, specially of poor innocent babies. Then you go one step further and you use your influence by frequent declarations which discourage others from taking up this most necessary and urgent work. Then at times you go still further and you actually and deliberately fraternise and co-operate with the master class, so as to make the task of labour organisers not only difficult but almost unjustifiable in the eyes of poor workers. You may defend this process whichever way you like, but the experienced world can only say that the exploitations of the spirit of superstition and of ignorance amongst the poor workers at the cost of human lives and their families and for the benefit of the bank accounts of the happy minority that rules the roost. I remember in London we all read the description of your royal reception at Jamshedpur and your acceptance of an address in steel casket with a purse, and in that Jamshedpur under-feeding, bad housing, underclothing does not go on, as if deaths which are preventable under modern scientific principles are not daily taking place, as if men were never driven to resort to strike, through unreasonable obstinacy of their employers, and as if even military operations against workers had never taken place. I have confessed above that I have looked at this picture of your performance with disappointment from a long distance. Comrade, you have to take the world as it is and you have to believe that all the labour-world have looked upon that picture with a similar disappointment. Even with all your personal power and success you will not be able to change the great law of worldly life that those who are not with us are against us, and in the name of the working classes, I want to call upon you to remember it.

"MY CANDID THOUGHTS"

I have put down my candid thoughts in the above paragraphs not with a view to disburden my soul, of personal grievance; I fully realise that I am courting great unpopularity in the eyes of my own fellow-countrymen whose good wishes and good opinion are as dear to me as to you. What I am really attempting to do is to disburden 'your mind' of a lot of confusion and contradiction and to demand from you in the name of all sufferers not merely that you stop adding to their sufferings but that you come forward and live with us as a brother with brothers and work with us in a manner and form in which we all consider you to be most fitted and your service to be most valuable. I have already read to you my notes in which I have mentioned what psychological, political and even revolutionary value can be attached to the khaddar movement. I have no prejudices against it and I would even persevere and build upon whatever value it may have for a nation's liberty and life. I attach full copy of these notes again which I am now submitting to the Working Committee of the Congress for a preliminary consideration.

What I want of you is that you be a good old Gandhi, put an ordinary pair of khaddar trousers and coat and come out and work with us in the ordinary way. Come and organise with us (as you alone by yourself have failed) our workers, our peasants, and our youths, not with a metaphysical sentimentality but with a set purpose, a clear-cut and well-defined object and methods such as by experiment are making success for all human beings.

I am not a believer in the slavishly obeying persons, prestige or organisations, but I always believe all past efforts, and actions have their elements of good on which we can, if we will, build a stronger future. Instead of developing the vanity of making under-clothing or over-clothing a primary object of administration and starting some traditions of a sage of Sabarmati, as an ordinary rough and tumble man making your food and clothing secondary and unimportant items that should not require any special thought of you, you would still be able to undo

your great mistake of the past and to make for the damage done to India and other Asiatic countries and be one of the successful workers for India as other successful leaders have actually worked for their own countries. Yes, when I have cast my eyes on you, I am not going to take any point blank refusal from you. I know there will be usual popular cry against me that I ought not to have used such language or such words etc., etc., but I do believe that in an attempt to use artificial polishing in our language, we become as unfair to the addressees as to ourselves, and it is much better policy to say things as we think and as we talk among friends. Therefore, before I go, I should like you to get up one morning as from a dream and to say "Yes" and many of us can soon be put together in a good team and set about putting an end to so many deplorable conditions of life in India about which none of us has any doubt.

Mahatma Gandhi's Reply

In reply to the above Mahatma Gandhi wrote an article in "Young India" dated the 17th March under Caption "No and Yes." The following is the text of the article:—

"Comrade Saklatvala is dreadfully in earnest. His sincerity is transparent. His sacrifices are great. His passion for the poor is unquestioned. I have, therefore, given his fervent open appeal to me that close attention which that of a sincere patriot and a humanitarian must command. But inspite of all my desire to say "yes" to his appeal, I must say "no", if I am to return mere sincerity for sincerity, or if I am to act according to my faith. But I can say "yes" to his appeal after my own fashion, for underneath his intense desire that I should co-operate with him on his terms, there is an emphatic implied condition that I must say "yes" only if his argument satisfies my head and heart. A "no" uttered from the depth of conviction is better to please or what is worse, to avoid trouble.

AGAINST A BLIND WALL

Insipite of all desire to offer hearty congratulations I find myself against a blind wall. His facts and his deductions based upon fiction are necessarily baseless. And where these facts are true my whole energy is concentrated upon nullifying their (to me) poisonous result. I am sorry but we do stand at opposite poles. There is, however, one great thing in common between us. Both claim to have the good of the country and humanity as our only goal. Though, therefore, we may for the moment seem to be going in the opposite directions I expect we shall meet some day. I promise to make ample amends when I discover my error.

SATANIC CIVILISATION

Meanwhile, however, my error since I do not recognise it as such must be my shield and my solace for, unlike Comrade Saklatvala I do not believe that multiplication of wants and machinery contrived to supply them is taking the world a single step nearer its goal. Comrade Saklatvala swears by the modern rush. I wholeheartedly detest this mad desire to destroy distance and time to increase animal appetites and go to the ends of the earth in search of their satisfaction. If modern civilisation stands for all this and I have understood it to do so, I call it Satanic and wish it the present system of Government, its best exponent.

ITS BANEFUL EFFECTS

I distrust its schemes of amelioration of the lot of the poor. I distrust its Currency reform. I distrust its Army and Navy. In the name of civilisation and in its own safety, this Government has continuously bled the masses. It has enslaved, it has bribed the powerful with distinctions and riches and it has sought to crush under the weight of its despotic regulations liberty-loving patriots who wanted not to be won over either by flattery or riches. I would destroy that system to-day if I had the power. I would use most deadly weapons if I believed that they would destroy it. I refrain only because the use of such weapons would only perpetuate the system, though it may destroy its present administrators. Those who seek to destroy men rather than their manners adopt the latter and become worse than those whom they destroy under the mistaken belief that manners will die with men. They do not know the root of the evil.

MOVEMENT OF 1920

The movement of 1920 was designed to show that we could not reform a soulless system by violent means and without becoming soulless ourselves. But we could do so only by not becoming victims of the system by non-co-operation, by saying an emphatic "no" to every advance made to entrap us into the nets spread by Satan. The movement suffered a check but it is not dead. My promise was conditional. The conditions were simple and easy. But they proved to be difficult for those who took a leading part in the movement. What Comrade Saklatvala believes to be my error and failure, I regard to be expression of my strength and deep conviction. It may be an error but so long as my conviction that it is truth abides with me the very error must, as it does, sustain me. Retracing of my steps at Bardoli, I hold to be an act of wisdom and supreme service to the country. Government is weaker for that decision. It would have regained all lost position, if I had persisted after Chauri Chaura in carrying out the terms of what was regarded as an ultimatum to the Viceroy.

S. AFRICAN MOVEMENT—A FAILURE

My comrade is wrong in saying that the South African movement was a failure. If it was, my whole life must be written down as a failure and his invitation to me to enlist under his colours must be held to be meaningless. South Africa gave a start to my life's mission. Nor do I consider it to be wrong to have offered during the late war services of my companions and myself, under my then convictions, as ambulance men.

KHADI MOVEMENT NOT ON WANE

This great M. P. is in a hurry. He disdained to study facts. Let me inform him that the Khadi movement is not on the wane. It did last year at least 20 times as much work as during 1920. It is now serving not less than 50,000 spinners in 1500 villages besides weavers, washermen, printers, dyers and tailors. Mr. Saklatvala asks what khaddar stands for? Well, it stands for simplicity not shabbiness. It sits well on the shoulders of the poor and it can be made, as it was made in the days of yore, to adorn the bodies of the richest and most artistic men and women. It is reviving ancient art and crafts. It does not seek to destroy all machinery but it does regulate its use and check its weedy growth. It uses machinery for the service of the poorest in their own cottages. The wheel is itself an exquisite piece of machinery.

THE POOR AND KHADDAR

The Khaddar delivers the poor from the bonds of the rich and creates a moral and spiritual bond between the classes and the masses. It restores to the poor somewhat of what the rich have taken from them. Khaddar does not displace a single cottage industry. On the contrary it is being daily recognised that it is becoming the centre of other village industries. Khaddar brings a ray of hope to the widows' broken-up home but it does not prevent her from earning more, if she can. It prevents no one from seeking a better occupation. Khaddar offers honourable employment to those in need of some. It utilises the idle hours of the nation. My esteemed comrade quotes with pride the work of those who offer more lucrative

employment. Let him know that Khaddar does that automatically. It cannot put annas into the pockets of the poor without putting rupees into the pockets of some whereas those who begin their work in the cities, though they are no doubt doing good work, touch but a fringe of the question. Khaddar touches the very centre and therefore necessarily includes the rest.

INDIAN CONDITION IGNORED

But the whole of the impatient Communist's letter concentrates itself upon the cities and thus ignores India and Indian conditions which are to be found only in her 700,000 villages. The half a dozen modern cities are excrescences and serve at the present moment the evil purpose of draining the life-blood of villages. Khaddar is an attempt to revise and reverse the process and establish better relationship between the cities and the villages. The cities with their insolent torts are a constant menace to the life and liberty of the villagers. Khaddar has the greatest organising power in it, because it has itself to be organised and because it affects all-India. If Khaddar rained from Heaven it would be calamity but as it can only be manufactured by the willing co-operation of the starving millions and thousands of the middle class men and women, its success means the best organisation conceivable along peaceful lines. If cooking had to be revived and required the same organisation I should claim for it the same merit that I claim for Khaddar.

MY WORK AMONG LABOURERS.

My communist comrade finds fault with my work among the labourers in Jamshedpur because I accepted the address in Jamshedpur not from the Tatas but from the employees. His disapprobation is due, I expect, to the fact that the late Mr. Ratan Tata was in the chair—well I am not ashamed of the honour. Mr Tata appeared to me to be a humane and considerate employer. He readily granted, I think, all the prayers of the employees and I heard from the latter that the agreement was being honourably kept. I do ask and receive donations for my work from the rich as well as the poor. The former gladly give me their donations. This is no personal triumph. It is triumph of non-violence which I endeavour to represent, be it ever so inadequately.

A TRIUMPH OF NON-VIOLENCE

It is to me a matter of perennial satisfaction that I retain generally the affection and trust of those principles and policies I oppose. The S. Africans gave me personally their confidence and extended their friendship. In spite of my denunciation of British policy and system I enjoy the affection of thousands of Englishmen and women and in spite of the unqualified condemnation of modern materialistic civilisation the circle of European and American friends is ever widening. It is again a triumph of non-violence.

LABOUR IN CITIES.

Lastly, about labour in the cities, let there be no misunderstanding. I am not opposed to the organisation of labour, but as in everything else I want its organisation along Indian lines or if you will, my lines. I am doing it. The Indian labourer knows it instinctively that I do not regard capital to be the enemy of labour. I hold their co-ordination to be a perfectly possible organisation of labour that I undertook in South Africa, Champaran or Ahmedabad was in no spirit of hostility to the capitalists and the resistance in each case and to the extent it was thought necessary was wholly successful. My ideal is equal distribution but so far as I can see it is not to be realised. I work for equitable distribution. This I seek to attain through Khaddar—and since its attainment must sterilise the British exploitation at the centre—it is calculated to purify British connection. Hence in that sense Khaddar leads to Swaraj.

CHARGE OF "MAHATMA"

Referring to the charge of "Mahatma", Gandhi said :—"I must leave it to its fate. Though a non-co-operator I shall gladly subscribe to the bill to make it criminal for anybody to call me Mahatma and to touch my feet. Where I can impose the law myself i. e. at Ashram the practice is criminal.

The Bengal Detenus.

INTERPELLATIONS IN THE HOUSE OF COMMONS.

On the 21ST FEBRUARY 1927 Mr. Thurtle asked the Under-Secretary of State for India if he is now in a position to indicate the result of the communications of his Department with the Government of India regarding the prisoners in India who have been detained for over two years without trial under the Bengal Criminal Ordinance Act?

Earl Winterton: The upshot of the very full examination which this matter has received in the last few months has been publicly announced recently in India by the Governor-General in his address to the Indian Legislature, on 24th January, and by the Home Member speaking on behalf of the Government of India and the Bengal Government in the Debate which took place in the Assembly a few days later. Put as shortly as possible, the policy agreed upon by the Government of India and the Government of Bengal is this: The sole object of the Government in using the special powers which this Act gives them is to prevent terrorist outrages, and they desire to keep no one under restraint a day longer than is necessary to secure that object. Their policy is accordingly to relax restrictions and where possible to release as and when this becomes feasible with safety to the public. But, since the conspiracy to commit these outrages has not been suppressed, before releases can be sanctioned the Government must be satisfied that those released would not employ their freedom to engage in terrorist outrages. This postulates an undertaking, which would not involve any humiliating admission as regards the past. Such an undertaking, if given, would be an important factor in the Government's decision, but could not of itself be accepted as automatically ensuring release.

Mr. Thurtle: Do I understand that the Noble Lord is now inviting these detenus to give an undertaking that they will not participate in any method of violence in future?

Earl Winterton: I think the hon. Gentleman can draw his own deductions from the answer.

Mr. Thurtle: Is the Noble Lord aware that at least one of these prisoners is in a very dangerous state of health—I refer to Mr. S. C. Bose—and is it the intention of the Government to murder that man?

Mr. Johnston: In the phrase used by the Noble Lord to the effect that he would not require from them any humiliating admission with regard to the past, does that mean that they are to make any statement of any kind that they have participated in terrorist agitation in the past?

Earl Winterton: No; what I intended to convey by those words was that the undertaking would be an undertaking with regard to the future.

Mr. Johnston: Does the phrase used by the Noble Lord mean that any detenu has to make any admission regarding participation in terrorist agitation in the past of any kind?

Earl Winterton: No; the exact opposite is what I intended to convey. What I intend to convey is that the undertaking which will be sought from the particular detenu will be an undertaking not to engage in terrorist organisation or activities in future.

Colonel Wedgwood: Is it not obvious that the Government, both in India and here, want to find a way out of the difficulty in which they are, and would it not be better for the Government to take the first step, rather than keep these people in prison simply because on a point of honour they will not say they will not do it in future?

Mr. Speaker: That is in the nature of a speech.

On the 7TH MARCH Sir Walter de Frece asked the Under-Secretary of State for India if he can make any statement as to the continuance of

terrorism in Bengal; whether it is entailing any special precautions on the part of the authorities; whether he will give the number of casualties in the recent communal riots in Bengal; and whether these disturbances are showing signs of increase?

Earl Winterton: I fear that no statement on the two quite distinct matters raised in the question could be brought within the usual limits of an answer. It is clear that terrorist activities continue in Bengal, and require constant vigilance; for example, a gang has recently been tried and convicted for the unlawful possession of bombs. As regards communal disturbances, which do not seem at present to be increasing, I cannot give complete figures, but the Hindu-Moslem riot in the Bakarganj district on the 2nd March resulted in 14 deaths and 8 cases of wounds.

Mr. Thurtle: Do I take it that the Noble Lord does not mean the House to understand that communal riots have anything at all to do with what is known as terrorism?

Earl Winterton: The answer was in exactly that sense, I think. I said it was difficult to discuss the two matters in one answer.

On the 14TH MARCH Mr. Lansbury asked the Under-Secretary of State for India whether he is aware that Mr. Subhas Chandra Bose was appointed chief executive officer of the Corporation of Calcutta in April, 1924, and that his appointment received the sanction of the Governor of Bengal; and whether, seeing that Mr. Bose was interned by order of the Government of Bengal within six months of his appointment and that he has been re-elected to that post, his re-election has received the sanction of the Governor of Bengal, in spite of his internment?

Earl Winterton: I am aware that Mr. Bose was appointed to hold the post in question; that this appointment, like several others made by the Corporation, is subject to the approval of the local Government, and that this approval was given. I understand that the Corporation have regarded Mr. Bose since his internment as being technically on leave with a substitute acting for him and that no question of his re-appointment or of re-approval by the local Government has arisen.

Mr. Lansbury: Is it not possible to expedite the release of this man, who apparently has the confidence of the Council still?

Earl Winterton: No, Sir. That does not arise out of this question, and I must point out to the hon. Member that if a person in prison has the confidence of this or that organisation it is not a reason for a remission of his sentence or for dealing with him in a different way from any other person.

Mr. Lansbury: will the Noble Lord not agree that perhaps the municipal authorities know as much about this man and his actions as the people who put him in prison and kept him there without trials.

On the 18TH MARCH Mr. Pethick-Lawrence asked the Under-Secretary of State for India whether the offer made by the Government of Bengal to allow Mr. Subhas Bose to go to Switzerland is subject to any and, if so, to what conditions; and whether such conditions have been accepted by Mr. Bose?

Earl Winterton: The offer of releasing Mr. Bose made by the Government of Bengal is subject to the conditions that he will give his word of honour to proceed from Rangoon to Europe by a ship which does not touch at any port in India, and that he will thereafter not attempt to enter India, Burma or Ceylon until the Bengal Criminal Law (Amendment) Act has expired. My Noble Friend, who is in communication with the Government of India on the subject, has not yet heard whether the offer has been accepted by Mr. Bose. This offer has been made consequent on medical advice that Mr. Bose should take a sea-voyage and make a prolonged stay in a sanatorium in Switzerland.

Mr. Pethick-Lawrence: By the phrase "until the Bengal Criminal Law (Amendment) Act has expired," does the Government of India mean until the date when it would normally expire, or until the time when it will be brought to an end if it should be extended?

Earl Winterton: I do not quite know what the hon. Member means by his

Supplementary Question. My answer was quite plain. This undertaking is not to enter India until the Bengal Criminal Law (Amendment) Act has expired, that is, has come to an end.

Mr. Pethick-Lawrence: Does that mean until the present law comes to an end, or until it finally comes to an end if it should be extended?

Earl Winterton: Obviously, it means when it comes to an end.

On the 2ND MAY Mr. Thurtle asked the Under-Secretary of State for India if he is yet in a position to state whether or not Mr. Subhas Bose has accepted the offer of the Government to allow him to take up residence in Switzerland?

Earl Winterton: I understand that he has not accepted.

Mr. Thurtle: Can the Noble Lord say whether the Government of India propose to make any other offer to Mr. Bose?

Earl Winterton: My Noble Friend is in communication with the Government of India, and I have no further statement to make at this moment.

Mr. Thurtle: Is the Noble Lord aware that the Indian correspondent of the "Times" said the other day that Mr. Bose was in a most dangerous state of health?

Earl Winterton: I have already said that my Noble Friend is in communication with the Government of India and I have no further statement to make on the matter.

On the 9TH MAY Mr. Lansbury asked the Under-Secretary of State for India whether he will give the House the latest information as to the condition of health of Mr. Bose, one of the prisoners detained under the Bombay Ordinance; what steps the Government is taking to preserve the health of Mr. Bose; and whether it is proposed to take any further steps to arrange for his liberation and for that of other prisoners who have been so long detained without trial?

Earl Winterton: I have no very recent detailed information, except that, since his examination in February by two doctors disclosed the possibility of early tubercle, Mr. Bose's health has unfortunately not improved. In consequence it has been decided to transfer him from Burma to Almora—the best climate in India for tubercular patients—and he was to leave Rangoon last Saturday. The Governor of Bengal is arranging for a special medical examination by his own surgeon and a physician of the medical college when Mr. Bose passes through Calcutta. I can make no statement about the possibility of releasing Mr. Bose or of any other of the persons detained in Bengal beyond saying that as was made clear by the announcement made by the Government of India on 21st March last, the text of which I circulated in the "Official Report" on 28th March, the question of each man's detention is continually being examined and re-examined.

Mr. Lansbury: In view of that answer, Mr. Speaker, I propose, with your leave, to raise this question to-morrow on the adjournment.

Mr. T. Williams: Can the Noble Lord say whether the prisoners in Bengal have been charged with any definite specific crime?

Earl Winterton: That does not arise out of the question.

On the 23RD MAY Mr. Lansbury asked the Under-Secretary of State for India if he will make an inquiry as to whether the medical examination by four doctors which led to the decision of the Governor-General to order Mr. Bose's release resulted in a formal report; and, if so, whether he will lay the report upon the Table of the House?

Earl Winterton: As I informed the hon. Member on Thursday last, I have not as yet any information on the first point. And even if a formal report has been made, it is obviously a confidential document, and I am not prepared to lay it on the Table of this House.

Mr. Lansbury: Does the Noble Lord not think that it would be in the interests of public order in India that the people of India should be officially acquainted with the condition of Mr. Bose's health at the time of his release?

Mr. Hannan: May I ask whether it would not be in the interests of public order if a great many of these questions were kept off the Order Paper.

THE BENGAL DETENUS

Earl Winterton: I am afraid I do not follow the hon. Member for Bow and Bromley (Mr. Lansbury). As far as I know there is no precedent for publishing the report of a medical examination, the result of which has been to allow a person to be released. I do not think the public interest would be served in any way by publishing what is obviously a confidential report.

Mr. Lansbury: Is it not the fact that this man has been in prison for 13 months, and that very circumstantial reports have been published as to the dangerous condition of his health; and is not the public in India and in this country entitled to ask what this man's health was when the Government of India ordered his release?

Earl Winterton: No, Sir. I do not think they are entitled to inquire in the least. The Government of India, in the exercise of their executive duties, decided that the state of his health was such that he should be released. There, I think, the matter should rest.

Mr. Thurtle next asked the Under-Secretary of State for India the reasons which included the Government to change its policy in regard to the detention of Mr. Subhas Bose, one of the Bengal political prisoners recently released?

Earl Winterton: Mr. Bose was released on grounds of health.

Mr. Thurtle: Is the Noble Lord aware that some time ago he said it would be inexpedient in the interests of public safety to release Mr. Bose, and can he say what change of circumstances has resulted in it being expedient now?

Earl Winterton: His health.

Mr. Thurtle: Has his health been the only circumstance that has entered into the consideration of the matter?

Earl Winterton: Yes, Sir. The sole circumstance that caused the Government of India and my Noble Friend the Secretary of State to take the action they did was the state of Mr. Bose's health.

INTERPELLATIONS IN ASSEMBLY.

The following is the statement made in the Legislative Assembly on the 21st March 1927 by Sir Alexander Muddiman on behalf of the Government of India regarding the decisions which have been taken on the subject of the release of detenues:—

"The policy of the Government regarding those detained under Regulation III or the Bengal Criminal Law Amendment Act in connection with Bengal revolutionary conspiracy has been and still is that the detention of no man should last longer than is essential in the interests of public safety. The Government are convinced that terrorist conspiracy is still in active existence and that consequently it is not possible to take steps in the direction of release of those about whom there is no reasonable doubt that they would utilise their liberty to resume their previous activities. They are, however, anxious to pursue as quickly as possible the gradual release of individuals whose conduct gives reason for hoping that they will not abuse their liberty. The Bengal Criminal Law Amendment Act provides for a considerable degree of elasticity in the treatment of those who are dealt with under it and enables the Government to transfer from jail to less strict forms of supervision persons whose past record and present conduct would not justify their unconditional release. Individuals of this class may be directed to reside in a particular village or in their homes. The practical results of transferring men in this manner to village or home domicile are fully watched, and the Government are enabled to observe whether action taken is justified by events and thus to determine the possibility of further extension of such action. In order to show what has been done in this direction of discriminating treatment of detenues, I may mention that out of 171 persons dealt with under the Bengal Criminal Law Amendment Act from the beginning, 75 have been placed in village domicile and thirteen in home domicile, while 26 have been released. The number now remaining in jail is 54. Of those arrested under Regulation III, 31 were subsequently transferred to Bengal Criminal Law Amendment Act and are included in the figures given above. 16 at present remain in jail under Regulation III. In the last two and half months, the

Government of Bengal have issued orders for the transfer of 19 detainees from jail to village or home domicile under the Act and have released 7. The Government of India have also had under review the cases of those who are still detained under Regulation III. They are considering one of these State prisoners on medical grounds. In respect of 4 others, they are satisfied that detention in jail is no longer necessary and they are, therefore, cancelling warrants under Regulation III so that action may be taken to bring them under Bengal Criminal Law Amendment Act with a view to their transfer to village domicile. It must be understood that practical result of this action as exhibited in the conduct of men thus placed in village or home domicile requires constant attention of the Government. If it is ascertained that such men are reverting to the Government will not hesitate to deal with them again under their powers".

Pt. Motilal's Reply.

Commenting on the above statement Pt. Motilal said:—"Sir Alexander Muddiman's statement is intended to be the last word on the subject for sometime to come so far as the Government are concerned. Are we going to accept it? No, not for a moment. It comes to this, that there is not the least change of heart in the Government, that Lord Irwin has finally committed itself to the policy of Lord Lytton and has allowed his own better judgment to be dominated by considerations of false prestige and differences among Indians. They may for a moment afford to treat the resolution of the Assembly and unanimous public opinion on the question with scorn, but I confess I expected a more far-seeing statesmanship from Lord Irwin. However, we know where we are now and the suspense of the last two months is over. Not one man has been unconditionally released since the Assembly passed the resolution. Not a word has been said as to whether the offer made by Lord Lytton to the Bengal leaders summoned by him and repeated on behalf of the Government of India in the Assembly was ever put to any of the detainees and, if so, with what result? The offer itself did not come to much as it only amounted to a promise to take an assurance of a detainee that he would take no part in any violent activity against the Government in future as an element in the consideration of his case; but such as it was, it does not appear to have been put to any detainee and, if put, has not been acted upon. The net result is that the men are to continue to suffer imprisonment and internment alternatively, without being allowed an opportunity to prove their innocence. Our plain duty is to show to the Government in an unmistakable manner that we cannot and will not tolerate this atrocity. I am sure the whole country will most strongly condemn this action; but strong language alone can serve no useful purpose. What is required is action and there is no more effective action that we can take than sinking our differences and presenting a united front to the self-willed bureaucracy. Let us make this an occasion for a general rally. Let us be prepared to give more and take less than we have so far been insisting on. There is no other way to maintain our self-respect."

Supplementary Questions.

The following supplementary questions were then put:—

Pandit Motilal Nehru: May I ask Sir, if it is the considered decision of the Government not to release any more?

Sir Alexander Muddiman: My hope, Sir, is that if these gradual release are successful, we may pursue this policy as rapidly as is compatible with public safety.

Pandit Nehru: Have any releases been made since the resolution passed by the Assembly?

Sir Alexander Muddiman: Four men will be released.

Pandit Nehru: Unconditionally?

Sir Alexander Muddiman: No, not unconditionally.

Pandit Nehru: Are they Regulation men?

Sir Alexander Muddiman: Yes Sir.

Sir Hari Singh Gour: May I beg to inquire whether these releases are in consequence of the resolution passed by this Assembly or independent of it.

Sir Alexander Muddiman: The Government in considering these questions, considers public opinion as expressed in this House and in other places.

Mr. A. Rangaswami Iyengar : May I know, Sir, whether any prisoners have been specially released since the date the House passed the resolution on the release of prisoners ?

Sir Alexander Muddiman : I have told the Hon. Member that there are 4 men who will be released ; that is since the resolution was passed about 7 men have been released. I am not sure on what dates they were released, but they have been released in the last 2½ months. Probably some were released before and some after the resolution.

Sir Harisingh Gour : Can the Hon'ble the Home Member give the names of prisoners released ?

Sir Alexander Muddiman : No it is not in the public interest that I should do so till the arrangements for their full release have been carried out.

Mr. A. Rangaswami Iyengar : Have these four been released unconditionally or conditionally ?

Sir Alexander Muddiman : If the Hon'ble Member had heard my statement, he would have understood that they are released from jail and put into village domicile.

An Hon'ble Member : Is there any objection to giving the names of those who have already been released ?

Sir Alexander Muddiman : I have not got names, but I should think there will be no objection.

Maulvi Mahommed Shafee : May I know Sir, if the Member who has been elected to this House has been released ?

Sir Alexander Muddiman : To the best of my knowledge he is not among the 7.

Mr. K. Ahmed : Sir, if my friend Mr. Mitra, who was elected to this Assembly as a member says "I shall be a good citizen and come here and become a good co-operator," will there be any objection on the part of the Government to allow Mr. Mitra to come here and take the oath ?

Sir Alexander Muddiman : I should suggest to my honourable friend to advise Mr. Mitra to go in the first instance to the Bengal Government by whose orders he is held.

Mr. K. Ahmed : H. E. Lord Lytton said that his Government had no objection to Mr. Mitra coming here and taking the oath provided he conducts himself rightly and swears that he will be loyal to the King and the Royal Family and the Royal house. Will the Government of India interfere ? (No answer was given.)

The Patuakhali Satyagraha.

The Government of Bengal issued the following communique under date 19th January :—

"Conflicting accounts of the situation at Patuakhali having appeared in the public press, the Governor in Council has decided to issue a statement of the facts of the case and the orders issued in connection therewith.

"Patuakhali is in a locality in which there is a preponderance of Muhammadans over the Hindus, the proportion being about 5 to 1 in the sub-division and the revenue thana, and about 4 to 1 in the headquarters police station. In Municipality, however, the communities are almost equal in numbers. In the past there are no records of any disputes on the subject of music before mosques and the Governor in Council is satisfied that in the area affected by the present dispute there was a long-standing and well-recognised practice under which Hindu processions out of regard for the feelings of the Muhammadans, when passing along the District Board road on the south side of which there is a mosque, stopped music for a distance of about 80 yards between the west end of the Civil Court compound and a culvert.

"Originally there was only one mosque in the locality, a building situated on

the south of the District Board road and some 7 yards from it. Subsequently, however, about the year 1911 the Muhammadans erected a new mosque on the north of the Municipal lane running from the District Board road along the edge of the Civil Court compound and about 30 yards from the junction of the lane and the District Board road. The new mosque is now used for congregational prayers and the old mosque for private prayer. After the erection of the new mosque the Muhammadans tried to get the area within which Hindu processions stopped all music extended 45 yards towards the east to the point where the main approach to the Civil Court takes off from the District Board road, and there seem to have been some negotiations between the two communities on the subject but there is no evidence that the practice of stopping music in this extended area was ever generally recognised.

"Latterly, as the result of the forces operating in the Indian Moslem world, the local Muhammadans began, among other things, to object to attending the festivities connected with certain Hindu festivals and to oppose the performance by Hindus of certain ceremonies in certain places of which the Swaraswati Puja in schools was probably the most prominent. This led to trouble at the Latif Seminary and elsewhere but no serious ebullition occurred until after the riots in Calcutta in April 1926. The excitement which these engendered increased the irritation which this attitude of the Muhammadans had caused among the Hindus and the prominence given in Calcutta to the question of music before mosque led the Hindus on the 13th of May 1926 deliberately to organise a procession with music along the District Board road near the mosques in defiance of the recognised practice. There was no religious festival at the time and the object was merely to annoy the Muhammadans in which object they succeeded. The Sub-divisional Officer, however, formed a Conciliation Committee and further trouble was avoided.

"A month later at the time of the Bakr-Id fresh trouble occurred owing to the Muhammadans performing their sacrifice in the open without making any attempt to screen the ceremony from the Hindus in the neighbourhood. In retaliation and in defiance of the recognised practice the Hindus took a procession along the District Board road near the mosques at the time of evening prayer and a serious riot was only averted by the efforts of the local officials and certain Hindu leaders. The situation was so serious that the District Magistrate had to go to Patuakhali and issue an order under section 144, Criminal Procedure Code, forbidding all public meetings and processions for fifteen days and to post an additional force of armed police in the locality. It was about this time that Babu Satindra Nath Sen arrived from Barisal with a party of Hindu volunteers to take charge of the Hindu activities. He and other Hindu leaders approached the District Magistrate to have the order under section 144, Criminal Procedure Code withdrawn, and each side having after some discussion, agreed to refrain from any action that was likely to annoy the other for at least a fortnight the District Magistrate withdrew his order under section 144, Criminal Procedure Code, and removed the additional police.

"At this time it was not denied by the Hindus that there was a long standing and well recognised practice of stopping music on the District Board road near the mosques; the only point in dispute was the eastern limit of the area within which music was not played.

"For the next two months conferences were held between the two parties and the Muharram passed without trouble but no settlement was arrived at as Babu Satindra Nath Sen now raised the general question of right and would concede nothing further than that non-religious processions as marriage processions should stop music before the principal mosque. Ultimately this leader announced that if no agreement was reached by a certain date he would lead a procession over the disputed area. As such action, if allowed, would inevitably have had very serious consequences orders were issued under section 30 (2) of the Police Act (V of 1861) requiring all persons directing or promoting processions in Patuakhali town to apply for a license. In addition extra police were sent down to Patuakhali and every effort was made by the local officers to procure an agreement.

THE PATUAKHALI SATYAGRAHA

"Finally on the 30th August 1926 Babu Satindra Nath Sen took out a procession under license but violated the terms of the license which provided 'later alia' that following the lines of the previous arrangement between the two communities no music should be played between the Municipal lane at the west end of the Civil Court compound and the culvert. As result of this procession some arrests were made and some stone throwing took place whereupon the Assistant Superintendent of Police who was in charge extended the area, in which according to the terms of the license issued under section 30 (2) Police Act (V of 1861), music was prohibited, to the path leading to the Civil Court so as to remove the place of arrest from the proximity of the new mosque. This was done solely in the interests of public peace and not with the idea of supporting the Muhammadan claim over the additional area. Since then there have been daily processions under license, daily breaches of the conditions of the license and daily arrests and prosecutions under section 32, Police Act. In every case the sentence has been one of fine, imprisonment being ordered only in default of payment of the fine.

"From time to time there have been various attempts at a settlement. One proposal made by some Hindu leaders that order similar to those in force in Calcutta should be passed by Government for Patuakhali was rejected as being contrary to the declared policy of Government to maintain existing practice in the mufassal. Another by some of the moderate local Hindus which slightly modified the original understanding and would allow four religious processions and all funeral processions to pass the mosque with music save at prayer time only, all other processions being forbidden to play music at any time before the mosque, was rejected by the Hindu extremists. On the 19th November the District Magistrate persuaded both parties to refer the matter in dispute to a board of arbitration consisting of two Hindus from the Hindu Maha Sabha and two Muhammadans from the Jayat-e-Ulema with power to co-opt a fifth member as Chairman, but the same day Babu Satindra Nath Sen was himself arrested for taking part in a procession which broke the terms of the license. As the result of this, the District Magistrate was approached at Barisal by some Hindu leaders and asked, in the interest of the proposed settlement, to perform an "act of clemency" and withdraw the case against Babu Satindra Nath Sen, and those arrested with him, which he finally agreed to do. Now the District Magistrate awaits the outcome of the proposal to submit the matters in dispute to a board of arbitration.

"The Governor in Council again invites attention to the policy announced in his communique, dated the 5th June 1926, viz, "In the musassal Magistrates and Police officers will continue to regulate which prevails in the locality concerned." He is satisfied that there is a long established and well recognised practice in Patuakhali that music was stopped in deference to Muhammadan sentiments by all processions between the limits specified in paragraph 2 above and he has therefore issued instructions to the local officers to regulate processions under the Police Act in accordance with that practice. The Governor-in-Council would welcome any agreement freely and voluntarily arrived at between the leaders of the communities which would render unnecessary the present measures for maintaining the public peace. He regards with abhorrence the present state of affairs in which so many boys and youths under a mistaken sense of loyalty to their religion persist in breaking the law and in going to jail, and he has already issued orders for the release of all who are willing to apologise for their conduct and give their word of honour not to repeat it if released or whose parents or guardians are willing to give an undertaking on their behalf. Up to date 45 persons have been released under these orders. But he is not prepared as a concession to such misdirected loyalty and self-sacrifice to modify his policy already announced for dealing with such disputes in the mufassal and he trusts that the leaders of the Hindu community will recognise this and persuade their followers to cease from defying the law and if they desire to depart from the previous practice will have recourse to negotiation or arbitration or if all else fails to the Civil Courts".

The Hindu-Moslem Riots.

. The Ponabalia Riot.

A disturbance between Hindus and Mahomedans occurred on the 2nd March 1927 at the Shivaratri Mela at the village of Ponabalia in Barisal. The Magistrate intervened. The situation becoming grave, he was forced to order firing resulting in twelve being killed and seven wounded. The Superintendent of Police was speared by a Mahomedan and as the Magistrate could not persuade the mob to disperse he was compelled to order firing.

The riot originated out of a Shiva temple where thousands of people meet annually at the Sivaratri festival and proceed along the thoroughfares with music. This year a mosque had been raised by the side of the road leading to the temple. Fearing the possibility of trouble, the District Magistrate of Backergunj, the District Superintendent of Police and a force of armed police were present near the mosque. The Mahomedans took exception to a party of Hindus passing the mosque, but the District Magistrate persuaded them to allow it to proceed and that the Mahomedans withdrew only to be sent back by a Moulvi who reproached them for being cowards. The Mahomedans returned and attacked the District Magistrate. The situation became desperate and the police were ordered to fire, first with blank cartridge and afterwards with ball. Twelve Mahomedans were killed and seven wounded. The crowd then dispersed. The following communique was issued by the Government of Bengal on the 5th March :—

♦ The Official Version.

“The facts regarding the firing at Kulkati so far as at present ascertained are as follows :—A mela is held every year at Ponabalia, Police station Jhalakati on the occasion of the Shiva Ratri festival which attracts a considerable number of Hindu pilgrims, largely women, from all over the country. About a mile from the mela ground at Jagannathpur (Kulkathi) on the side of the road from Jalakati to Naichiti by which pilgrims pass to the mela ground there is a small mosque which is said to have been erected not more than 7 years ago. Previously there was a mosque on the other side of the road but at some distance from it. As the Hindus were apprehending disturbances on the occasion of this festival the District Magistrate inspected the mela ground on the 17th February to ascertain what arrangements were required. As far as he was able to ascertain there had never been any opposition to processions with music or to the ‘Uludhani’ or similar religious exclamations which pilgrims are accustomed to make on such occasions ; but as a precaution against possible trouble this year he arranged with the Superintendent of Police to have a picket of 2 Jamadars and to armed with the Police at this point during the mela. A party of 1 Jamadar and 30 rifles of the Eastern Frontier Rifles was also sent to Ponabalia for emergencies. On the 1st March the Sub-divisional Officer was sent to be present at the mela and was warned that the mosque might be a danger spot. He was instructed to make further enquiries as to the local custom and to allow the parties to pass with music unless he was satisfied that there was any practice to the contrary. In the early morning of the 2nd March a Hindu Sankirtan procession formed up and started for the mela ground playing music along the road which pass the mosque. A crowd of armed Mahomedans began to collect at the mosque in preparation to oppose the procession. Seeing this the Subdivisional Officer who is an Indian Christian, stopped the procession at some distance from the mosque and endeavoured to persuade the Mahomedans to allow the procession to pass peacefully. They resolutely refused to do this and the crowd began to swell and to adopt a threatening attitude. 10 rifles of the Eastern Frontier Rifles and a few civil police were stationed near the Kulkati mosque, but seeing the situation

becoming more serious the Sub-divisional Officer sent for four more rifle men. This reinforcement arrived simultaneously with the District Magistrate and the Superintendent of Police who had come to supervise the arrangements. This was at about 2 A.M.

"Meanwhile, the attitude of the Mahomedans had become more threatening under the excitement of one Muhammad Shahadaduddin and they were prepared violently to resist any attempt on the part of the Hindus to pass the mosque with music. The Sub-divisional Officer had satisfied himself after enquiry that Hindu processions had previously passed by the mosque without any protest from the Mahomedans. In these circumstances the District Magistrate decided that the existing custom should be maintained and with the assistance of the Superintendent of Police and the Sub-divisional Officer repeatedly requested the Mahomedans to disperse but they continued in their truculent attitude and brandished their weapons defiantly to emphasise their resolve to resist the procession.

"The District Magistrate then declared them to be an unlawful assembly and warned them that they should be dispersed by rifle fire unless they went away peacefully but despite these warnings Muhammad Shahadaduddin continued to incite the crowd saying that they would submit to being killed rather than give in. There were then about 500 armed Mahomedans in the open space round the mosque and they were only separated from the road by a ditch about 2 yards in width. Others estimated at another 500 were assembled in the jungle behind.

"As the crowd refused to disperse the District Magistrate ordered the Superintendent of Police to march up the contingent of the Eastern Frontier Rifles. This was done and the Magistrate again ordered the crowd to disperse but was again disobeyed, the Mahomedans waving their spears and thrusting them in the direction of the officers and the sepoys. The District Magistrate then ordered the arrest of Muhammad Shahadaduddin who was taken away in custody. Thereafter further attempts were made by all the officers present and two leading Mahomedans to induce the crowd to disperse but without avail. On the contrary some of the crowd began to cross the road at a little distance and collect in groups with spears on the other side of the road thus surrounding the police party. As the crowd became still more threatening and was then within three yards of the police and was armed with deadly weapons the District Magistrate then gave orders to fire and with his approval the Superintendent of Police ordered one round to be fired by each man. This order was communicated by the Havildar to his men and fire was opened by fourteen men. It seems, however, that in the tremendous din which the Mahomedans were making the order was not properly heard and that actually 37 rounds were fired before firing was stopped. The Mahomedans did not disperse when fire was first opened and the firing was stopped as soon as it was found to be effective. 14 Mahomedans were killed and 7 wounded. Necessary arrangements were made to attend the wounded and to send them to Jhalakati for medical treatment, the dead being sent to Barisal for post mortem examination".

Interpellation in Parliament.

On the 24th March in the House of Commons Mr. LANSBURY asked the Under Secretary of State for India whether he is aware that on the occasion of the disturbances which took place at Kulakati on 2nd March the Magistrate ordered firing to take place at six-feet range on an unarmed crowd, causing 19 deaths and seriously injuring many others, of whom 12 are not expected to recover; is he aware that no injury was inflicted by firearms on either Magistrate or police; when he will be in a position to put before the House the official report on these events; and is it proposed to hold a special inquiry into the matter?

EARL WINTERTON: I circulate the three telegrams received from the Government of India, which constitute all the information I have at present on this lamentable occurrence. It will be clear from the terms of these reports that I cannot accept as entirely accurate all the implications in the hon. Member's question. As the reports show, a special inquiry is being, or has been, conducted by the Commissioner of the Division, and I am taking steps to obtain the substance of his findings without delay.

THE PONABALIA RIOT

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Telegram from the Government of India dated 3rd March, 1927.

Following from Government of Bengal, 2nd March, is repeated for your information. *Begins.* District Magistrate, Bakarganj, writes that he was forced to order Frontier Rifles fire on large Mohammedan mob who violently opposed Hindu music by mosque at Kulkathi. Casualties number 12 killed and wounded 7. Further details will be telegraphed when received.

Telegram from the Government of India dated 5th March, 1927.

In continuation of our telegram dated March 3rd, 1927. Following telegram has been received from the Government of Bengal and is repeated for your information. *Begins.* Following message was received yesterday from the District Magistrate, Barisal. *Begins.* On arrival at Mosque we found strong armed Mohammedan mob occupying the mosque precincts, and refusing to allow passage to small Hindu procession with music on District Board road adjoining the mosque. No reason why this procession should not pass, particularly as time not prayer hour. Mohammedans informed accordingly, but repeated persuasion proved useless, owing to incitement by Maulvi Shaiduddin. Mob proclaimed unlawful assembly and ordered to disperse, but vehemently refused, crying would kill and be killed. Attitude very threatening. Long spears brandished at us. Warning repeatedly would be fired on if did not disperse. Military Police brought up and Maulvi arrested, whilst further useless persuasion and even prayers by officers and two local Mohammedans (2 were) being (2 attempted), armed groups began gathering at opposite sides of the road enclosing the force. Seeing further parleying useless and situation growing momentarily more dangerous, I ordered the Superintendent of Police fire. Rounds fired 33; 14 killed, 8 wounded, all Mohammedans. *Ends.* Full report expected to-day, on receipt of which it will be telegraphed. Commissioner of Dacca Division has proceeded to Barisal for inquiry.

Telegram from the Government of India dated 6th March, 1927.

In continuation of our telegram dated 5th March, 1927. Following telegram has been received from the Government of Bengal, and is repeated for your information. *Begins.* Facts regarding the firing at Kulkathi, so far as at present ascertained, are as follows: A *mela* is held every year Ponabalia, Police Station Jhalakati, on the occasion of the Shivaratri festival which attracts considerable numbers of Hindu pilgrims, largely women, from all over the country. About a mile from the *mela* ground at Jagannathpur (Kulkathi), on the side of the road from Jhalakati to Nalchiti by which the pilgrims pass to the *mela* ground, there is a small mosque which is said to have been erected not more than 7 years ago. Previously there was mosque on the other side of the road, but at some distance from it. As Hindus were apprehending disturbances on the occasion of this festival, Magistrate of the District inspected *mela* ground on 17th February to ascertain what arrangements were required. As far as he was able to ascertain, there had never been any opposition to the procession with music or to *Uthman* or such religious exclamations which pilgrims are accustomed to make on similar occasions, but as precaution against possible trouble this year, he arranged with the Superintendent of Police to have pickets of one Jemadar and ten armed police at this place during the *mela*. Party of one Jemadar and 30 rifles of Eastern Frontier Rifles was also sent to Ponabalia for emergency on 1st March. Sub-divisional Officer was sent to be present at the *mela*, and was warned that mosque might be danger spot. He was instructed to make further inquiries as to local custom, and to allow parties to pass with music unless he was satisfied that there was any practice to the contrary. In the early morning on 2nd March a Hindu *Sankirtan* procession formed up and started for the *mela* ground playing music along the road which passes the mosque. Crowds of armed Mohammedans began to collect at the mosque in preparation to oppose the procession. Seeing this, Sub-divisional Officer, who is an Indian Christian, stopped the procession at some distance from the mosque, and endeavoured to persuade the Mohammedans to allow the procession to pass peacefully. They resolutely refused to do this, and the crowd began to swell and to adopt threatening attitude. Sixteen rifles of the Eastern Frontier Rifles and a few civil police were stationed near Kulkathi mosque, but seeing the situation becoming more serious, Sub-divisional Officer sent for 4 more rifles. This reinforcement arrived simultaneously with District Magistrate and Superintendent of Police, who had come to supervise arrangements. This was at about 9 a.m. Meanwhile, attitude of Mohammedans had become more threatening under incitement of one Muhammad Shaiduddin, and they were prepared violently to resist any attempts on the part of Hindus to pass mosque with music.

THE HINDU-MOSLEM RIOTS

Sub-divisional Officer had satisfied himself after inquiries that Hindu processions had previously passed by mosque without any protests from Mohammedans. In these circumstances, District Magistrate decided that existing custom should be maintained, and, with assistance of Superintendent of Police and Sub-divisional Officer, repeatedly requested Mohammedans to disperse, but they continued in their truculent attitude and brandished their weapons defiantly to emphasise their resolve to resist procession. District Magistrate then declared them to be an unlawful assembly, and warned them that they should be dispersed by rifle fire unless they went away peacefully; but despite these warnings, Muhammad Shadaduddin continued to incite the crowd saying that they would submit to being killed rather than give in. There were then about 800 armed Mohammedans in the open space round mosque, and they were only separated from the road by a ditch about 2 yards in width. Others estimated at another 600, were assembled in the jungle behind. As the crowd refused to disperse, the District Magistrate ordered the Superintendent of Police march up contingent Eastern Frontier Rifles. This was done, and the Magistrate again ordered the crowd disperse, but was again disobeyed, Mohammedans waving their spears and thrusting them in the direction of the officers and sepoye. District Magistrate then ordered the arrest of Muhammad Shadaduddin who was taken away in custody. Thereafter further attempts were made by all the officers present and 3 leading Mohammedans to induce the crowd to disperse, but without avail. On the contrary, some of the crowd began to cross the road at little distance and collected in groups with spears on the other side of the road, thus surrounding police party. As the crowd became still more threatening and was then within 3 yards of the police, and was armed with deadly weapons, District Magistrate then gave orders to fire, and with his approval Superintendent of Police ordered one round to be fired by each man. This order was communicated by the Havildar to his men and fire opened by 14 men. It seems, however in the tremendous din which the Mohammedans were making, the order was not properly heard, and that actually 37 rounds fired before the firing was stopped. Mohammedans did not disperse when fire first opened, and firing stopped as soon as it was found to be effective. Fourteen Mohammedans killed and 7 wounded. Necessary arrangements were made to attend the wounded, and to send them to Jhalakati for medical treatment, dead being sent to Barisal *post mortem* examination. Full inquiry into the matter is now being made by the Commissioner, and in view of this inquiry the Government do not propose to make any comments at this stage.—*Ends.*

The Larkana Riot.

A Hindu-Muslim fracas occurred at Larkana (Upper Sind) on the 29th March 1927 as the result of a dispute between Hindus and Mahomedans over the possession of a woman and three children. The District Magistrate visited the scene of disturbance at noon and by 2 o'clock the riot was suppressed.

The following is the summary of a joint statement reviewing at length the cause of the disturbance and the facts relating thereto issued under the signatures of Khan Bahadur Bhauto Noor Mahomed, Pleader, and Gulam Mahomed Isran, members of the Bcmilay Council, and Sirdar Wahid Bux and Seth Haji Abdullah Haroon, members of the Assembly:—

The Moslem Version.

The signatories state that about twenty years ago a Hindu woman with three children, two sons and a daughter, embraced Islam. The woman married a Mussalman in the village of Garrelo in Larkana District. She got her son married to the niece of her Mussalman husband and also married her daughter in a Mussalman family. The woman lived a happy life with her Mussalman husband to whom she bore three more sons, at present aged 13, 11 and 9 years respectively. After a lapse of all this time, of a sudden an application was made to the District Magistrate, Larkana, for the release of the former daughter of this woman on the ground that she was wrongfully confined. Curiously enough all the members of the above family were brought to Larkana by Hindu Sabbhwalas and Arya Samajists and lodged in a house, whence the chief member of the family was immediately driven away. This man applied to the Sub-divisional Magistrate for returning to him his three Mussalman children and his Mussalman niece wrongfully confined by Hindus. They were produced before the Magistrate on the evening of the 28th March. The children made piteous appeals to the

Magistrate to be handed over to their father, wept bitterly in the open Court in the presence of all assembled and recited verses from the Koran to convince the Magistrate of their being Mussalmans but the Magistrate ordered the police to give them back to the Hindus. Hearing this order the children, three sons and the girl, clinged round the neck of their father and when forcibly separated caught hold of chairs and tables and bent on crying and weeping all the time. In this condition they were handed over to the Hindus as ordered by the Court. This scene created a sensation throughout the town. To move the District Magistrate about 1,000 Mussalmans, including several hundred boys, assembled on the following morning in his bungalow and appealed for his intervention. The District Magistrate promised legal help and asked the crowd to repair to Khan Bahadur Amir Ali's garden where negotiations were in progress between the Hindu and Muslim leaders for the restoration of children to their father. Half of the gathering went away to their homes and the rest went to the garden where the District Magistrate also soon arrived. These negotiations were going on for the previous three or four days and the restoration of the children was being put off by the Hindus from morning to evening and evening to morning in order to gain time to win over the children to make a statement about their future custody in their favour. The leading Mussalmans then present and the District Magistrate persuaded the men to remain calm and await the restoration of the children. Meanwhile, in another part of the town, a Hindu started teasing and assaulting Mussalman passersby in the bazaar and severely injured one Mussalman whose injuries bled. This news reached the crowd at the garden with the exaggeration that the injured person was a Syed and was killed. Upon this the gathering got instantaneously out of control and though every effort was made to pacify them they rushed through the main bazaar hitting more Hindus who came across their path and damaged anything that caught their eye. The District Magistrate closely followed the crowd and the wave of disturbance subsided in about twenty minutes. The disturbance over, the crop of arrests began to be gathered. Mr. Ramnath, Sub Inspector, accompanied by Hindu Sangathanists, went about the town arresting any Mussalman they met till late in the evening and though it was understood that the Resident Magistrate would go to the police station and release those innocently arrested everyone was put in the lock-up.

News propagated that there was panic among Larkana Hindus is baseless. Even on the 31st March, the day on which a telegram was sent to the Commissioner and the Government about the prevalence of uneasiness among the Hindus, there was not the slightest panic or any kind of alarm among them and this has been admitted by several very responsible Hindu gentlemen. In fact there was no cause of alarm even immediately after the brief wave of disturbance had passed over the town. The continuation of hartal in a modified form, as it prevails now, is not now based any longer on any apprehension or fear of Mussalman aggression. It is rather said to be due to preachings of some men who make Hindus feel that the fullest pound of Muslim flesh would not be obtained without the use of hartal. If these persistent reports be true and if the shops that opened have been closed again owing to such instructions, we can only pity the province where the feelings of people can be worked up in this manner. We cannot close this without condemning unreservedly the spirit of lawlessness shown by our co-religionists at Larkana, after they got out of control. They have spoiled the fair name of our community and by their miserable action have brought discredit on it. They must realise once for all that it never pays to create any disturbance, whatever the nature or extent of provocation offered. We beg to extend our fullest sympathy to the injured persons and to the relations of the diseased Hindu who was a resident of quite a different taluk. We are glad that Mussalmans in the villages and other towns kept their heads cool and continued to show brotherly feelings to the Hindus in spite of the wildest rumours to the contrary. We may be excused if we appeal in the end to the patriotic and broad-minded leading men among the Hindus to take a note of the doings and preachings of the Arya Samajists and their Hindu helpers in Sindh. Connivance at their actions as is unfortunately happening is not a happy

sign of the times and cannot absolve the leading Hindus still from communal bias and from the duty they owe to the province as a whole. We are compelled to say that there has been too much connivance at, and also help given by some of the Hindu leading men to, some of the most objectionable activities of the Arya Samajists in the towns and the villages of Sind which need to be checked. We hope our appeal will not go in vain."

The Hindu Version.

The Hindu version of the circumstances that led to the riot is given in a lengthy statement made by Messrs. Bhoisingh Pagalanaji, Jairamdas Doulatram, and Kijhumal K. Lahiri as a reply to the above statement. The Hindu version alleges that the riot was the result of premeditation on the part of the Muslims who, while negotiations were in progress over the question of the custody of three minor children of Lakhmibai, a Hindu woman, who had been living with a Muslim, held a mass meeting without lights and without admitting even C I D reporters at which highly exciting speeches were made. Subsequent closing of Muslim shops is also said to have been determined upon at that meeting. On the morning of the 29th March Muslims gathered in large numbers in different parts of the town. The District Magistrate, it is stated, in the course of his morning walk met one party of about three or four hundred excited Muslims and reprimanded them. Muslims from the outlying parts began to swell the crowd of whom about 2,000, armed with lathis, marched to the District Magistrate's bungalow and demanded the return of the three children who, by order of the Sub-Divisional Magistrate, had been handed over to their mother whose shuddhi ceremony had been performed three days previously. The District Magistrate directed the mob to a place where conversations in the same connection were going on between Hindu and Muslim leaders. On the way and elsewhere the Muslim crowds began to raid Hindu shops. It was then about 11-30. Rioting continued till about 3 in the evening. The statement finally protests against attempts made by signatories to the Muslim statement to minimise the seriousness of the situation and denies that the riot was provoked by Hindus.

The Lahore Riot.

A Sikh-Muslim riot took place in Kablimulls Haveli in Dabbi Bazar, Lahore on the 3rd May 1927 in the night as a result of which two Mahomedans were killed and four Mahomedans were injured, of whom two received serious injuries. The riot originated in some muslims irritating and insulting a Sikh woman whereupon a number of Sikhs of the neighbourhood belaboured some Muslims. This eventually developed into a riot with the result above stated. As soon as the Police received the news of the riot, the Superintendent and Deputy Superintendent with a strong police force hastened to the spot and restored order and removed the dead and the wounded to the hospital.

Enquiries made on the 4th May showed that some days ago a Mahomedan had insulted a Sikh girl inside the city bazaar whereupon a case was filed against him by the Sikhs and he was challaned yesterday. The case came up before the Court of the City Magistrate where a compromise was effected and the parties agreed to withdraw the case but the prosecuting Inspector declined. The case was then proceeded with. A large number of Hindus, Sikhs and Mussalmans crowded the court to watch the case. Towards the evening there was considerable excitement amongst the Sikhs who decided to hold a Dewan (Conference) at night to discuss the question of cases of insults to Hindu and Sikh ladies by certain Mahomedans, and a Sikh drum-beater went in different Mohalla announcing the Dewan. When the Dewan was in progress at about 9 p. m., a quarrel arose near Kablimulls Haveli in Dabbi Bazar between a Sikh and a Muslim. News of this quarrel was at once brought to the notice of the Dewan from where it was alleged about 20 Sikhs with kirpans came to the scene of quarrel and a free fight ensued between the Sikhs and Muslims with the result above stated.

More Rioting.

On this day (4th March) another fracas took place in Anarkali bazaar where, it was stated, a crowd of Mussalmans, while they were passing through the bazaar shouting "Alla-o-Akbar" and asking Mahomedans to close their shops, attacked several passers-by including one Sikh, causing injuries to a number of persons. The police at once rushed to the scene from the Anarkali Thana and dispersed the crowd. There was panic in the bazaars and all shops in the Anarkali Street were closed and police pickets were posted in different quarters.

After the lull of a few hours serious riots broke out again in the evening and rioting continued in several parts of the city. A strong contingent of British and Indian troops had been requisitioned and they were guarding the danger spots. Several armoured cars with machine guns were patrolling the city. Detachments of Hodson's Horse were posted outside the city gates. A large number of British and Indian troops were kept in readiness in the city in Kotwali to meet emergencies. The evening's severe rioting started on the return of thousands of Mussalmans who accompanied the funeral procession of three Mahomedans who were killed in the last night's fracas.

The evening riot continued till midnight in different parts of the city after which hour it began to abate and by 1 p.m. the situation was comparatively quieter although stray cases of assaults were continuing in the alleys and by-lanes of the city. Mr. Ogilvie, District Magistrate, who was on leave, was recalled by urgent wire and he arrived at about midnight and immediately proceeded to the various scenes of disturbances to control the situation. From the various reports it was gathered that about 10 died and more than 50 were more or less seriously injured. Brickbats and lathies were freely used during the riots in the evening by the rioters of all the three Communities; but most of the deaths were caused by lathi blows and other weapons. Reports of some cases of arson were received in the Kotwali but prompt measures were taken by the authorities and not many houses were burnt except one inside Moahi Gate. Mahomedans mercilessly assaulted the Hindus and the Sikhs severely dealt with the Mahomedans wherever they could get hold of them. The evening's riots produced terror in the minds of law-abiding and peaceful citizens.

Magisterial Orders.

On the 5th March two orders were promulgated by Mr. Emerson, Additional District Magistrate. The first order lays down that the victims killed during the rioting shall not be taken out in procession unless two hours' previous notice has been given to the officer in charge of Kotwali, Lahore. This order is to remain in force unless previously cancelled until the 20th May. The second order says: Whereas riots having occurred in Lahore city and damage to life and property has been occasioned and whereas there is every reason to believe that, if the public are allowed to frequent the streets till 8 p.m. there will be further damage to life and property, it is directed that every good person within the walls of the city of Lahore at 3 p.m. on the 5th May and on every subsequent date until further orders shall not leave his house between the hours of 8 p.m. and 5 a.m.

Effect of the Curfew Order.

The above curfew order had a most desirable effect. Everything was quiet the whole night and not a soul stirred out of the houses after 8 p.m. except officers on duty and those who had permits. Patrol parties continued to move about in different streets and lanes of the city while armed pickets guarded the city gates. On the 6th the situation continued to be quiet and no cases of assault were reported. The city and the principal thoroughfares were more or less deserted and the majority of shops were closed. Persons walking or passing with lathis were challenged by pickets on duty and their lathis and sticks were deposited in Kotwali.

Official Version of the Riot.

The following official communique was issued by the Punjab Government regarding the riots on the 5th May:—

"As exaggerated and misleading accounts have been published of the recent rioting in Lahore, it is desirable to make known the actual facts so far as these have been ascertained by the Government. The first disorder occurred at about 9 p. m., on the evening of the 3rd May when some Sikhs are alleged to have attacked Mahomedans in the neighbourhood of Haveli Kabli Mal. The police were quickly on the spot in considerable strength and restored order. They found that eight persons had been injured, all of whom, with the exception of a Hindu boy, were Mahomedans. Of these three were dead and five, of whom one subsequently died, were wounded. Four Sikhs were arrested on the spot by the police. Investigation into this affray is being personally conducted by a European Superintendent of Police specially detailed for duty. On the forenoon of the 4th May, although great excitement prevailed in the city and a large number of shops were closed, only one instance of actual disorder took place. This occurred in Anarkali when a party of Muslims were endeavouring to persuade the shop-keepers to close their shops and a man, who is alleged to have had the appearance of a Muslim, suddenly attacked and stabbed five or six shop-keepers with a knife. This individual managed to evade arrest. In view of the grave state of tension in the city and possibility of the disorder occurring during or after funeral of victims, it was decided to take special precautions including sending of troops and armoured cars. The first detachment of troops reached the city soon after midday. On the afternoon of the 4th May a very large procession followed the funerals of the victims of rioting of the previous night. As the tail of the processions which was accompanied by the Magistrates and the Police passed a Hindu temple some stones were thrown at it but no serious fracas occurred and no one appears to have been seriously injured. Some arrests of persons alleged to have thrown stones were made. On conclusion of the funeral ceremonies which were very largely attended, at about 6 p. m. adequate arrangements were made by the troops and the Police to ensure that no disorder accompanied the return of the large crowds from the burial ground to the city. Special precautions taken with this object worked effectively and this stage regarding which some anxiety had been felt was not marked by any serious disorder. Crowds passed through the long Anarkali Bazaar without excitement or disturbance but after they had reached the city and dispersed to their Mohalla isolated cases of assaults on individuals were reported to the Police from different quarters of the city. Later in the evening two cases occurred on the crowds assembling. One of these was at Lohari Gate and one at the Mochi Gate. At both places Magistrates were present. A threatening crowd of the Lohari Gate was dispersed by a detachment of Hodson's Horse under the Magistrate's order. The other crowd was similarly dispersed on the arrival of a detachment of cavalry on the spot; but a few casualties had occurred before the cavalry arrived.

Police and Military Arrangements.

"Isolated attacks on individuals continued to be reported to the police from various parts of the city until about 11 p. m. on the 4th. Meanwhile a careful system of patrols had been organised in all the streets inside the walled city radiating from a common centre. This proved very effective and continued in operation throughout the night. The Colonel Commandant of the Lahore Brigade area personally supervised the disposition of the troops in consultation with the civil authorities. Orders were issued by the Additional Magistrate under Section 144 of the Code of Criminal Procedure prohibiting a Muslim meeting which was announced to be held on the return of the funeral party from the burial ground. No meeting actually took place. Orders were subsequently issued prohibiting the carrying of lathis or the assembling of persons in bodies of more than four. Owing to rumours that arson on a large scale was contemplated during the night, the Municipal and the railway fire brigades were mobilised and special orders were issued to the Magistrates, troops and the police making it clear that they were to open fire on any one attempting incendiarism or indulging in rioting, such firing being, of course kept within the limits necessary to ensure control of the immediate situation. Seven incendiary fires actually occurred during the night but all were extinguished by the fire brigade within a few

minutes except one in which a Hindu temple outside the Bhati Gate was gutted in spite of the strenuous work by the fire brigade. The troops who had a hard day on the 4th May were reinforced by fresh troops early on the morning of the 5th May and an adequate force of cavalry, infantry, and armoured cars is now in the city capable of dealing with any contingencies. In addition to the regular staff of Magistrates four special European Magistrates have been placed on duty in the city. Police reserves are being called in from other centres.

Assaults on Individuals.

"On the morning of the 5th May one case of assault on individuals was reported from the neighbourhood of Taval Gate. A marked feature of the disturbance up to the present moment (mid-day of the 5th May) has been that there have been no clashes of large bodies of men but numerous assaults on individuals by single persons or small bodies. Such assaults have been scattered over a very wide area. They constitute a form of lawlessness, the most difficult to deal with, and may necessitate the continuance for some days to come of a system of intensive patrols over the net work of streets inside the city walls. A curfew order is to be promulgated to-day directing all persons residing within the city to be indoors by 1 p. m. The number according to the hospitals' returns hitherto ascertained is 14 killed and 103 wounded. The number is fairly equally distributed among Mahomedans, Hindus and Sikhs.

"The funerals of victims took place during the afternoon of the day. Processions to the burial ground were limited in numbers and were accompanied by strong escorts of police and troops which prevented any disorder. A few isolated attacks on individuals were reported during the early part of the afternoon, but none after 3 p. m. In these attacks two men were killed and twenty wounded. Both men killed were Hindus. A fracas on a slightly larger scale in range was quickly suppressed by troops without firing or casualties. The night was absolutely quiet owing to the effective enforcement of the Curfew Order at 8 p. m., the streets being wholly deserted except for patrols of troops and police. Up till 3 p. m. on the 6th only two isolated assaults on individuals have been reported. A Sikh was stabbed near Sheranwala gate at about 11-30 a. m and a Hindu was very severely wounded in Changar Mohalla about 1-25. The congregations that assembled in the various mosques for Jumma prayers about the mid-day dispersed quietly, the authorities having taken full precautions to prevent disorder. The casualties roll has now been carefully verified. The total number of deaths is 18, of whom 8 are Hindus 6 Muslims, 4 Sikhs, wounded 178 of whom 95 are Hindus, 41 Muslims, 41 Sikhs and 1 Christian.

Canards.

"A rumour to which currency has been given in certain newspapers that the Sikhs are pouring into the city in large numbers from the surrounding area is false. One small band of seventeen Sikhs was stopped by the Magistrate on the 6th of May inside the Bhati gate. Eleven of the seventeen were arrested and the other six ran away. This is the only incident of the kind that has occurred. Another wholly false rumour is to the effect that women have been insulted and injured by badmashes of both communities. This is untrue. No women are among those killed or wounded. No disturbance or disorder has been reported from any neighbouring district."

The Rangila Rasul Case.

On the 4th May 1927 at the Lahore High Court Mr. Justice Kunwar Dalip Singh pronounced judgment in the 'Rangila Rasul' case accepting the revision and acquitting the accused Rajpal, the publisher of the pamphlet of that name. The accused-petitioner had been convicted by Mr. Phailbus, magistrate, under section 153-A, I. P. C., and sentenced to 10 months' rigorous imprisonment and a fine of Rs. 1,000. The conviction was maintained by Col. Nicolas, sessions judge, on appeal but the sentence was reduced to six months' rigorous imprisonment and a fine of Rs. 1,000.

Mr. Justice Dalip Singh held that the intention to create ill-feeling between classes could not be necessarily inferred though such a feeling might be the result of such a publication. The learned judge found, section 153-A not applicable to the case and added that the Government Advocate could not suggest any other section that could apply. His lordship, therefore, acquitted the accused. The following is a short history of the case as contributed by Pundit A. S. Sharma in the "Amrita Basar Patrika":—

History of the Case.

"Rangila Rasul case which has apparently reached its final stage in the Punjab High Court deserves more than a passing notice. The case was instituted by the Government under Section 153-A I.P.C. some three years ago and the accused Mahashe Rajpal, who is a well-known publisher of religious books, was hauled up for exciting hatred between the Hindus and the Mahomedans. The book "Rangila Rasul" which is the subject of the case is a small brochure written by some anonymous but well-informed author, who has tried to draw instances from the life of the Prophet, against the evils of polygamy etc. Those who have read the book know that there is no attempt at ridiculing and the facts put forth in simple and innocent language are entirely based on the writings of standard authors on Islam, both European and Mohammedan. There is nothing in the book which has not some authority behind it. Such was the simple and logical basis of the book; but the Government saw great excitement to hatred among the two communities and drew up proceedings. It is interesting to point out that the action against the publisher was taken long after the actual publication of the book and the Government did not think it necessary to do anything in the matter until a clue was got from a section of the Mohammedans who held a meeting of protest and a note was published by Mahatma Gandhi in "Young India" condemning the literature of this nature.

"The book in question was written at a time when literature of this type was being published from both the sides and the Mohammedans had made a beginning by publishing a very objectionable book entitled "Unreveen SadiKa Mahariahi" (Mahariahi of the nineteenth century) against the venerable founder of the Arya Samaj. Mahatma Gandhi had penned down a note against the tone and nature of this book also; but look to the discretion of the Punjab Government that it decided to prosecute the publisher of Rangila Rasul alone and not the publisher of the latter publication.

"The Punjab Government made a serious mistake in sanctioning the prosecution in "Rangila Rasul" case and a still greater mistake in continuing the case even when the accused had expressed regret and had of his own accord offered not to sell and publish the book any more. The delays of law are well known and in this particular instance the case was dragged through three weary years. In any other province such a minor case would have ended in a couple of months, but the Punjab Government went on with it for not one or two but three years. During this time one or two Magistrates changed hands and on points of law the case was referred to the High Court not less than three times. The Magistrate in the lower court who convicted the accused, raised an interesting point that the witnesses called by the accused in his defence should be only those persons who have a personal knowledge about the life of Mohammad. This point of exceptional character had not occurred to his predecessor and the result was that the accused was not

able to produce defence in his favour. The accused was not "Omni-potent" to infuse life into the dead bodies of Mohammad's time and to call them from their graves as his witnesses and the court would not allow such persons to appear before it who had an indirect knowledge of the times.]

"Notwithstanding the hollow nature of the case and inability of the accused to produce defence witnesses on account of the curious plea of the court, it is strange that the punishment given in this case was very severe i. e., 18 months' rigorous imprisonment with a fine of rupees one thousand. The maximum imprisonment allowable under the Section is two years and the Magistrate was kind enough to allot three-fourth of the maximum to Malahshe Rajpal. As regards fine "full measure" was used and no consideration was shown for the fact that the accused had not earned even one-tenth of the amount of fine imposed from his unlucky book and then he had to spend a good deal in course of these three years on his case. Such a harsh punishment under Section 153-A is absolutely unknown in any other province except the unfortunate provinces of the Punjab which is a next door neighbour to N. W. F. famous for harsh sentences. If I remember aright, in Bengal such a harsh sentence was never pronounced under Section 153-A in these years, although Calcutta passed through terrible communal riots. It was pleasing however to find that the Sessions Judge of Lahore on appeal has reduced the sentence of imprisonment to six months although he did not see his way to make any reduction in the huge amount of fine.

"On a further appeal in the Punjab High Court, the structure of the whole case came to the ground with a crash and Justice Kanwar Dalip Singh who is by the way an Indian Christian, acquitted Malahshe Rajpal and held that Section 153-A is not applicable in the case and remarked that the Government Advocate could not suggest any other action that could be applied. A case which went through three long years and involved a great expense on both sides has at last ended in such a dramatic way that one can easily understand how recklessly the provincial Governments often institute cases under Section 153-A—a section the use of which has become so very common in all provinces."

The A. B. Patrika's Comments.

"The reply of His Excellency Governor of the Punjab to a deputation of leading Mahomedans which waited on him at Lahore to present their views on the decision of the above case is likely to raise misgivings in the minds of all who have the cause of freedom in literary and journalistic criticism at heart. But what is likely to cause the greatest surprise in the minds of the public is the way in which His Excellency deals with the judgment of the High Court in the "Rangila Rasam" case. We quite agree with His Excellency that "it is always necessary for the Executive Government to exhibit a due reserve in dealing with judicial pronouncements especially when they proceed from the highest courts" but we confess we did not quite follow how the head of the Executive in the same breath could publicly hold that the judgment seemed "to break new ground as regards the interpretation of the law." It is not for us to suggest whether the Executive should resort to a process by which it could obtain either from the High Court itself or from the Privy Council "a reconsideration of the point of law taken in the judgment, in the hope that the final decision might be more in accord with the view we had taken when we initiated and supported the prosecution" but we consider it to be our duty to point out that His Excellency should have been more reserved in referring to the matter of the *Rangila Rasam* which is "now coming before the courts." We consider it to be our duty to protest emphatically against a declaration from the head of the Executive at this stage that the matter of the *Rangila Rasam* represents "for us an opportunity for testing the interpretation which is to be placed on the law" and that "the decision in this case will decide whether we can rest content with the legislature for some modification of its terms." It would have been well for all concerned if His Excellency had seen his way to avoid any reference to a matter which has yet to be placed before a court for decision.

"But the main subject of interest in the reply of His Excellency is the extent of liberty to be allowed in criticism of any religion or religious leader. His lordship of the Punjab High Court in dealing with the *Rangila Rasam* case found that it did not fall within the purview of section 153A of the I. P. O. as many strong criticisms had been made before about the Prophet by other writers of whom many were English without attracting any notice or inciting hatred between the classes and communities amongst His Majesty's subjects. His Excellency himself remarks "one must be clear that the legislature can never be expected to place an entire embargo on such attacks; it will not seek to prevent a serious treatment of questions of religious history though stated in critical

turns. If we have obligations for the preservation of public tranquility, we are also bound to respect the claim for that freedom of discussion which is necessary for the ascertainment of truth, historical or religious. A serious and critical treatment does not entirely exclude the use of satire; but it would certainly stop short at deliberate ridicule." But to seek to tighten the law, or to influence the interpretation in a manner to suit the convenience of the executive or to put such a wide interpretation as to bring within its purview all writings which may be considered to be objectionable by some members of any particular community are to foster that very "freedom of discussion" for which His Excellency expressed so much solicitude.

"It is not necessary to prove our point to deny that the present communal tension has given impetus to much back-writing on both sides much of which makes up by venom the absence of any intrinsic literary quality. But what the leaders of both the communities should seriously consider is that whether by approaching the Government to take measures against these literary mushrooms we shall not only be supplying the bureaucracy with a pretext to impose fresh fetters on the little freedom of opinion that we have and whether by advocating strong measures against these otherwise obscure writers we do not give them a notoriety which always will make it easy for them to earn a cheap martyrdom. These writings do the least injury if they are taken little notice of and treated with the contempt they deserve."

Moulana Mahomed Ali's Views.

On the 28th June 1927 Maulana Mahomed Ali published two leading articles in his Urdu daily newspaper "Hamdard" on the Rangila Rasul case in the first of which he answers the question whether the fault is that of "Kadi" or of canon law and comes to the latter conclusion. In the next article he analyses the offence and states that it is a synthesis of six different offences but Mr. Kanwar Dalip Singh is the first Judge of the High Court who has brought it home to Mussalmans that not one of these serious offences is an offence according to Indian legal code. He enumerates these offences as (1) insulting the founder of Islam, (2) insulting the religion of Mussalmans, (3) attempting to bring the founder of Islam into hatred, (4) attempting to bring the religion of Mussalmans into hatred, (5) wounding the feeling of Mussalmans and (6) attempting to bring Mussalmans into contempt.

Defective Law.

He states that under Section 153-A only promoting or attempting to promote hatred against Mussalmans is punishable and not attempting to bring them into contempt. Also that, although promoting or attempting to promote hatred against Mussalmans is punishable, promoting or attempting to promote hatred against that august and exalted personality which every Mussalman values far more than his own life and far more than all Mussalmans put together is not punishable. Nevertheless, the Maulana points out that Mr. Kanwar Dalip Singh, who holds that the law is defective and desires that it should be so amended as to cover offenders of insulting the religion of any person or wounding his religious feelings, has condemned the pamphlet as malicious in tone and likely to wound the religious feelings of the Mussalman community and only reluctantly accepted the revision and acquitted the petitioner.

It may be that his interpretation of the existing law is wrong but the Maulana has come to the conclusion that neither "The Muslim Outlook" nor any other newspaper has shown that Mr. Kanwar Dalip Singh intentionally misinterpreted the law and acquitted the accused through bigotry or dishonesty. Unless the Judge intentionally misinterprets law and is bigoted or dishonest he cannot be asked to resign. If this was not the customary procedure the Maulana thinks that nowhere in the world would a second judge have been found after the first had been made to resign for an error of judgment. The Maulana, while declaring the law to be extremely defective, clearly states that it was not intentionally left defective by the Government either, for it is equally helpless to-day in dealing with those who insult the religion of British officials and wound their religious feelings. Had Government known that the law was defective it would not have knocked at the doors of the District Magistrate, the Sessions Judge and the High Court itself in this case.

No Case Against Judge.

The Maulana explains that he was the first Mussalman to point out in the course of his weekly speech in Juma Masjid on the 6th of May that very serious consequences were

liberty to follow the acquittal of Rajpal. This judgment had opened the floodgates of mischief, much greater than Hindu-Muslim quarrels over cow-slaughter and music before mosques. He was surprised that nobody else had dealt with or reviewed the judgment before. "The Muslim Outlook" and other Muslim papers had done so no less than three weeks after it had been delivered. When he returned to Delhi after a month's absence he found that some leading Punjab Mussalmans had already done what was needed by going in a deputation to the Governor of the Punjab and so he remained silent. The Maulana gives full meed of praise to the reply of Sir Malcolm Hailey to the deputation. After this there was nothing left for Mussalmans but to wait and see.

However, "The Muslim Outlook" which had been dealing with the matter since the 26th May all of sudden asked the Judge who had delivered the judgment to resign. The Maulana cannot understand this curious and belated demand. He says that he for many years never had any respect for British law courts in India but he fears the law of God and that law required that before we condemn a person we must investigate and establish his guilt. "The Muslim Outlook" had not published any proofs of Mr. Kanwar Dalip Singh's bigotry or dishonesty and it was contended on its behalf that the expressions it had used did not unequivocally express contempt of court.

Wanted an Ordinance.

The Maulana demands from the Government the promulgation of an ordinance making the offence of insulting a person's religion by insulting prophets, saints and other persons held sacred by those following that religion and of wounding their religious feelings severely punishable and points out that newspapers like "Pistap" of Lahore are taking advantage of the interregnum created by Mr. Kanwar Dalip Singh's judgment.

The Maulana concludes that the demand of the Lahore meeting that the Secretary of State should compel the judge to resign is not justified. "Lord Birkenhead demanding resignation from Mr. Kanwar Dalip Singh is the last illustration of Punjab humour." If Mr. Kanwar Dalip Singh deserved dismissal then "The Muslim Outlook" and other Muslim papers and meetings of Punjab Mussalmans should have asked more emphatically for the resignation of Justice Zafar Ali. The Maulana hopes that Government would release the prisoners and remit the fine. If they have erred they have done so through terrible excitement which is only natural when the Prophet is so foully reviled and the law declares itself helpless to punish the guilty. That Rajpal should be at large and Muzera, Bukhari and Narai Haq should rot in a prison is a most painful practical paradox of British justice.

The Delhi Muslim's Protest Meeting.

On the 30th June Delhi presented a gloomy appearance when Muslim shop-keepers observed a complete hartal and a monster meeting of Muslims was held in the maidan opposite Juma Masjid to protest against the "Hangila Rasul" judgment. Mufti Kifayatullah presided, who in opening the proceedings, said that the meeting had been convened to protect the honour of their Prophet. No Muslim could rest in peace if dirty reflections were cast on the Founder of Islam whom the Muslims loved more than their parents, children or even their own life. Muslims could stand all bodily tortures but to them their Prophet was above criticism. According to Islamic law death was the only punishment for one who reviled their Prophet but unfortunately the Government and the law of the country were not in Muslim hands. They, therefore, were patiently waiting to see what the Government of the land, which professed to safeguard the honour of all religious saints, would do. It was true that Government did proceed against the author of "Rangila Rasul" but the final judgment of Justice Dalip Singh had given them a rude shock. Justice Dalip Singh had decided that it was no crime to revile the life of the founder of a religion. They, therefore, had gathered there to tell the Government what they proposed to do next. This will be done by a resolution which the speaker expected they would pass unanimously.

Maulana Mahomed ALI, in moving the resolution, said that during and after the Great War the Muslim activity was directed to protecting the Khilafat but to-day they assembled there to safeguard the honour and fair name of the Founder of Islam himself. The Hindus should know that all worldly relations between Muslims, on the one hand and Khilafat Committee, Congress, Mahatma Gandhi and even the Government on the other hand terminated when the life and soul of Islam was reviled. For Mussalmans all their earthly activities and relations depend on their faith in Mahomed. If what Justice Dalip Singh

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said was true there was no law left in the land for Mussalmans. The proper thing would have been to give a terrible shaking to Bajpal, author of "Rangila Rasul." He advocated the addition of a new clause to section 153A.—I. P. O making insulting a prophet penal. Pending this amendment of the criminal law of the land, the Viceroy should use his extraordinary powers and promulgate an ordinance, thereby meeting the urgent need of the hour. This will prevent further mischief being done. The speaker concluded with an appeal to Government to release the editor and printer and publisher of "The Muslim Outlook" who acted under a great provocation. A Muslim ceased to be rational if his Prophet was insulted or his life reviled and he (Muslim) therefore, was not responsible for his actions. The same was the case of the editor and printer and publisher of "Muslim Outlook."

The IMAM of Jama Masjid, seconding the resolution, said that Justice Dalip Singh was either dishonest or a lunatic when he passed the orders in the "Rangila Rasul" case. The speaker knew that Justice Dalip Singh was not dishonest and a lunatic should not occupy the chair in a High Court. He should either resign at once or the Secretary of State should ask for his resignation forthwith.

Khuraji Hasan Mianji felt it strange that no sections of the criminal law could be found to convict the reviler of the Prophet's life while a section could be traced to sentences the insulter of Justice Dalip Singh.

The resolution was further supported by Maulana Said Pirzada Mahomed Hussain, S. M. Abdillah Hafiz Mahomed Snikque and several others and adopted unanimously.

The President, in conclusion, advised the audience to be non-violent and should do nothing to excite themselves or others. The following is the text of the resolution that was moved by Maulana Mahomed Ali and passed :—

RESOLUTION.

"The meeting expresses its deep resentment over the judgments which had outraged Muslim feelings throughout the country and requests the Government to issue a communique explaining their future policy in matters like the one under discussion but, in the opinion of the organisers of the meeting, Government should either file a revision in the Privy Council against the judgment of Mr. Justice Dalip Singh or show intention of amending the criminal law of the country with a view to bring offenders like the author of the "Rangila Rasul" to book. In the meanwhile the Government should issue an ordinance thereby remedying the defects like the one in issue in the Indian penal Code. Failing all these alternatives, the meeting warns the Government that the Mussalmans would be compelled, though very reluctantly, to take the law into their own hands."

"Risala Vartman" Case.

On the 1st July the Punjab Government applied to the Lahore High Court through the Government Advocate for an order transferring the "Risala Vartman" case from the court of the District Magistrate, Amritsar, to the file of the High Court.

The "Risala Vartman" was prosecuted for an article alleged to contain abuse of the Prophet Muhammad and the Punjab Government announced its intention to treat this prosecution as a test case on the interpretation of section 153-A, of the Indian Penal Code. The application was successful and the writer was convicted.

The Kakori Conspiracy Case.

On the 6th April 1927 Judgment was delivered in the Kakori Conspiracy case by Mr. A. H. De B. Hamilton, Special Judge, Lucknow. Of the 23 accused before the Court three were sentenced to be hanged, one was transported for life, one got 14 years' R. L., five got 10 years each, two 7 years each, six sentenced to 3 years' R. L. two were acquitted and two, who had turned approvers, were pardoned. This case was one of the biggest conspiracy cases in India. Over 250 witnesses were produced on behalf of the prosecution before the Court of the Sessions, and the exhibits both material and documentary numbered nearly eleven hundred.

History of the Case.

It may be recalled that on the 9th August 1925 a passenger train was stopped by some persons and looted within ten miles of Lucknow Junction. Enquiry into this daring dacoity revealed to the police the existence of a wide-spread revolutionary organisation in the United Provinces with an off-shoot in the Central Provinces and working in concert with the main organisation in Bengal. Armed with this knowledge the C. I. D. kept strict watch on the movements of the revolutionary suspects in the United Provinces and also intercepted their correspondence. Eventually on the 25th September 1925 Mr. R. A. Horter of the C. I. D. issued a number of warrants for the arrests and house-searches in different cities of the province. The warrants were executed the next day and over 30 persons were apprehended. Searches also led to the recovery of several firearms and a mass of documents and revolutionary literature. The documents seized threw more light on the affairs of the organisation, some more arrests were made and there was further recovery of arms and ammunition. Some of the persons wanted by the police evaded arrest. Of them one, namely, Rajendra Kumar Lahiri, was arrested on November 1925 in Dakshineswar in what was called a bomb factory. Towards the end of the year 1925 the police dropped the case against some of the arrested persons but sent up before Mr. Syed Aminuddin, Special Magistrate, 26 persons on a charge of conspiracy to wage war against the King-Emperor, a conspiracy to commit dacoity with murder. Of these 26 persons, three remained absconding and two turned approvers. The Special Magistrate committed all the remaining 21 persons to the Sessions. During the trial in the Sessions Court one accused, Damodar Swarup Seth, became seriously ill and his trial has been postponed.

The Judgment.

The Judge found that there was widespread conspiracy in the United Provinces; the object of which was to effect armed revolution for the overthrow of the present Government. The headquarters of the conspiracy was in Bengal from where the accused Jogesh Chandra Chatterjee came as an emissary to organise the U. P. branch. Jogesh was assisted by the accused G. C. Kar but ideas emanated principally from the accused Sachindranath Sanyal. The first seeds were planted in this province in 1923; but the plant was well nourished by the accused Ramprasad and R. N. Lahiri. Ramprasad was the chief of the staff in the United Provinces; but Lahiri, too, was a very important member and was the go-between for the headquarters in Bengal and U. P. branch. Dakshineswar and Shornubazar were part and parcel of this conspiracy, the duty of the Bengal section being to keep the Upper India organisation supplied with arms and ammunition. The Judge further found that the members of the conspiracy committed the following dacoities to collect funds for the organisation:—(1) Ramrasuli dacoity committed on the 25th December, 1924. (2) Bichpuri dacoity committed on the 9th March, 1925 (3) Dwartapur dacoity on the 24th May, 1925. (4) The train dacoity on the 9th August, 1925. The Judge further found that in the first two dacoities common criminals were enrolled to swell the number of dacoits.

In awarding sentences to the different accused the Judge remarked:—“I have been asked by the Public Prosecutor himself to temper justice with mercy in the case of those who are young and who have played but a secondary part in this conspiracy. In certain cases the Counsel has asked for mercy to be shown to a particular client and at the end the accused Sachindra Nath Sanyal made a similar request in general. I therefore think it right to say something on the subject.

“I do believe myself that the great majority of the accused did join this conspiracy for no personal gain or advantage and that what they did as members of this conspiracy they did not do for the above purpose. Banwari Lal has made certain accusations of dishonesty against Ram Prasad and the abettor Asad and Banwari also had a suspicion

THE KAKORI CONSPIRACY CASE

against Ram Prasad. Whether they are justified or not I cannot tell. On the other hand it was the object of this conspiracy to effect armed revolution. The members of the conspiracy had arms and made bombs and this means murder. A revolution as justified by the writer of the white leaflet himself means chaos. Chaos is an opportunity which professional criminals always take advantage of as local riots show and I do not for a moment believe that the members of this conspiracy could have stopped this. The property and life of the persons who either have nothing to do with the Government or politics or who work for India in a manner which they consider better for the country than that shown by the members of this conspiracy must be safeguarded. Then there are the dacoities from the evidence for the prosecution. It appears that persons joined this conspiracy knowing full well that dacoities would be committed. In two of these dacoities the conspirators joined forces with professional criminals. In each of the four dacoities a man was murdered. In Bamrauli, Baldeo Pershad received a bullet in the neck and Chandika one through the face and it is a mercy that they were not killed. In Bichpuri, Toi was tortured by a burning cloth being put between his legs. In Dwarka-pur, four persons received bullet wounds which caused grievous injuries. Their blood lies not only on the heads of those who shot them, but on every member of this conspiracy. I can only hope that as the commission of these dacoities was usually not disclosed to the conspirators who did not take part in them what was done was unknown to most of the members of this conspiracy and that now it has awakened in their hearts a feeling of repugnance as in the heart of Banwari. In considering the Bichpuri dacoity I take note of the fact that only men on the roof shot at persons. In considering the train dacoity, I take note of the fact that it is improbable that Ahmad Ali, who was shot, was deliberately aimed at. But nevertheless the shooting along the sides of the train showed a disregard of human life. I must also consider the fact that this conspiracy was a very important one extending beyond the U. P. When an appeal is made for mercy it is usual to attempt to satisfy the court that the person who has committed the offence has repented and will not offend again and therefore a lighter sentence will be a sufficient deterrent. The only accused from whose action I can infer such a sense of repentance is Banwari who has confessed. Whether there be others who have repented but who have said nothing either through fear of their companions or not wishing to say anything against their companions I am unable to say. I hope that there are and, if so, I recommend that the Government may consider that as I have done in the case of Banwari. Not knowing myself whether the accused on whose behalf application for mercy has been made do really repent, I cannot presume that they do."

The Judge finds Ram Prasad (aged 28, of Shahjahanpur) the most important member of the conspiracy and guilty of participation in the Bichpur dacoity and also the train dacoity and sentences him to be hanged. Raj-n Lahiri (aged 24, of Benares) is also found to be a leading member of the conspiracy and guilty of participation in the train dacoity. He is also sentenced to be hanged. The Judge finds the case proved against Ramshan Singh (33 years, of Shahjahanpur) in regard to the conspiracy and the Bamrauli dacoity. He too is sentenced to be hanged. Sachindranath Banyal is proved not only to be a member of the conspiracy, but an important member not merely in U. P., but at the headquarters which were in Bengal. Manmatha Nath Gupta of Benares is found guilty of the conspiracy of the Bichpuri dacoity and the train dacoity. He is sentenced to 14 years' rigorous. Govindabaran Kar of Dacca, Mukandil of Etawah and Rajkumar Sinha of Cawnpore are all found guilty of conspiracy and the train dacoity and are sentenced to ten years' rigorous. Ramkishan Khattari of Chanda (O. P.) is found guilty of conspiracy and the Bichpur dacoity and is sentenced to ten years' rigorous. Jegesh Chandra Chatterjee of Dacca is found to be the prime factor in the establishment of the revolutionary society in U. P. and is sentenced to ten years' rigorous. Visnunarayan Duble of Meerut and Surendranath Bhattacharya of Cawnpore are found guilty of conspiracy and are sentenced to seven years' rigorous. Bhupen Banjal of Allahabad, Pranabash Kumar Chatterjee of Jabalpur, Premkishan Khanna of Shahraspur, Ramdalary of Cawnpore and Ramnath Pandey of Benares are all found to be members of the conspiracy and are sentenced to five years' R. I. Banwarilal is found guilty of conspiracy and of the train dacoity but because he has confessed his guilt he is sentenced to only five years' rigorous. Sachindranath Biswas of Lucknow and Hargovind of Shahjahanpur are found not guilty and are acquitted. The approvers, Banwarilal and Indubhusan Mitra, both of Shahjahanpur, are pardoned. In concluding his judgment, the Judge pays a tribute to the skill with which Mr. Horton and his subordinates carried out the investigation and prepared the case. The beauty of Mr. Horton, the Judge remarks, was generally recognised by the defence.

The European Associations.

The Calcutta Europeans on the Reforms.

The following is the full text of the amazing speech which Mr. Langford James, President of the Calcutta European Association, delivered on the occasion of the dinner given by the Association to the Viceroy on Tuesday, the 14th December 1926:—

"I have always admired the technique of those speakers who are able to make with an apparent wealth of feeling speeches touched in irreproachable language which in fact means nothing, but may subsequently be construed to mean anything. I admire, I say, their technique: their mentality always reminds me of the member of this Club who signed a chit for one half peg and over his signature wrote those magic letters E. & O. E. No one could ever discover against which eventuality he was protecting himself. Possessing neither the technique nor the mentality necessary for such oratorical efforts you will forgive me if my remarks to-night are cast in a more homely mould.

There is one of the representations which the European Association found its duty to make this year which has excited a certain amount of comment and, as I think that our action has been imperfectly understood, I propose to say a few words with regard to it. I refer to our representation with regard to the case of Mr. Wilson and Mr. Spence. As you will remember, Mr. Wilson was tried in Sylhet by a jury for culpable homicide and assault, and he was acquitted on the first charge but fined Rs. 200 for assault. Against the acquittal for manslaughter the Government of Assam appealed. In Mr. Spence's case he was accused before a Magistrate of culpable homicide but after a lengthy hearing he was discharged. The District Magistrate saw fit to have him rearrested and called upon him to show cause why the charge should not proceed against him.

Now, in India, unlike England, the Government is entitled to appeal against an acquittal by limiting the right of appeals against acquittals to the local Government. The law obviously intended that such interference should take place only in cases where there had been a miscarriage of justice so grave as would induce the Local Government to move in the matter. It is no good reason for taking that very serious step that there has been an irregularity in the trial. The Government must be convinced that there has been a grave miscarriage of justice. In the case of the Magistrate exactly analogous considerations apply and it is no good reason to state that in taking such a step he has examined the record and is following the ordinary procedure directed by the Code. It was represented to your Council that in both these cases it looked as though other considerations than those I have mentioned had weighed with the authorities concerned, and after due deliberation and a most careful consideration of all the facts, your Council made representations to the Governments concerned and to the Government of India.

Government Assurances

Whatever can be said as to the particular merits of the case I read the reply of the Government of India as containing an express assurance that it is its intention that in such cases the test I have mentioned shall be rigidly and impartially applied and I think the same assurance can be implied from answers of the other two Governments, and we do, as we must accept that assurance unreservedly. But I desire to say that if in the future, at any time, we should be of opinion that our rights as citizens in this country are being endangered we shall consider it our plain duty to make similar representations to that which we have made on this occasion.

I wish to add one word with regard to the answer given us by the Assam

Government. They have seen fit to accuse us of ignorance and callousness. With regard to the charge of ignorance, I can only say that we were as fully acquainted with all the facts as the Government of Assam were or, shall I say as the Government of Assam ought to have been. And with regard to the charge of callousness the fact that an unfortunate coolie had died was in no way relevant to the point which we were raising. Had it been so, it would have been equally relevant to raise the point of the refined cruelty to living. I mean the subjecting of a man to a double trial. It is needless to say that our community does not in any way countenance assaults on Indians.

Europeans and Politics

Now, I have stated that the advent of the Reforms Scheme enlarged the scope of the activities of this Association. It had another effect. It encouraged the growth of various political organisations in this country who change their names with disconcerting rapidity. A very intimate friend of mine once suggested to me that it might be possible to stereotype these parties under names terse simple and easily understood. He suggested non-Sycophantic non-Responsivists and Pro-anti-automatic anti-Tergiversationists: such homely appellations he thought would cover a multitude of principles—even fluctuating principles. Be that as it may, these gentlemen show a growing tendency to challenge the right of the unofficial Europeans to be in India at all, or to suggest that we are here merely on sufferance.

I confess that I for one discount the ebullitions of the politico in this country as I do in most, but this assertion gives us food for thought. This would appear to be a simple answer to this challenge. But apart from these truisms, I think we have a right to be in India on moral, but equally strong, grounds. The British people have very largely made India. Their continuance in the country is in my opinion necessary to the future welfare of the country, and I venture to think that most thinking Indians realise that truth. Our forefathers when they came to India brought with them a particular stock-in-trade which may perhaps be summarised in the three words Stamina, Honesty and Initiative, and I believe that those are still the qualities which are needed, and valued, in India.

A Viceroy's Qualities

In this connection it is pleasant to reflect that our principal guest this evening embodies these qualities, which are in truth the qualities of an English gentleman, to a remarkable extent. It will surprise nobody to hear that in his undergraduate days at Oxford His Excellency was one of the most popular and most respected man at the House. I can speak to that fact of my own knowledge. From hearsay I can speak to the fact that the same is true of that other House at Westminster. I shall be surprised if a similar fate does not await His Excellency in India. But if these are the qualities upon which in moments of auto-analysis we pride ourselves, we must be careful to put them into practice in dealing with the problems which confront us. The stamina and initiative which we claim as our birthright must be pinned at the disposal of the body politic to the fullest extent.

In the past when the indigenous populations have got into a tight corner the first thing they have cried for is the Sahib. The need is still there and we must continue to respond to it. Perhaps the most important of all we must make up our minds to say quite honestly and sincerely what we think to be the truth. There is no need to be offensive but there is every need to be frank.

Lord Lytton's Record

We have amongst us to-night another distinguished guest. I venture to think that when time passes its verdict upon Lord Lytton's term of office in Bengal, the point upon which most stress will be laid is His Excellency's consistent, transparent and, I would say, courageous sincerity in thought, word and deed. That is a verdict which I for one should very much prize. The true value of a living example of sincerity is difficult to appraise.

Communal Troubles

I now propose to say a few words upon some problems which, in my opinion, confront us. First and foremost, is the communal question. This divides itself into two branches: the question of whether representation throughout India, whatever form it may take, should proceed upon a communal basis. In my opinion there is no other reasonable or practical alternative, and that for one simple reason. In a continent socially so backward as India, and where political sense, if born, is not yet weaned from communal sense, it is the only method of ensuring audience for the views of the different communities.

There is the other side of this question, viz., the unfortunate communal disturbances which have rent this country in the past and may do so in the future. In this matter we as a community are intensely anxious to render any assistance which we can, but it would be unwise for us to give even the appearance of interference. During the recent disturbances in Calcutta we were freely accused of backing the Mahomedan community against the Hindu community. This Association was accused of advancing the Mahomedan community the sum of Rs. 50,000 (a sum which it did not possess in cash). I personally was accused of advancing a sum of Rs. 10,000 (a sum which I have never in my life had to spare), and the wildest possible rumours were circulated. The truth is that we did not help either community with one anna nor were we able, unfortunately, to help either community with any advice.

The next question is, I feel, hardly a new one but none-the-less of vital importance. I mean the question of the Services. It is absolutely essential, as I see it, not only that the British connection should be maintained in the Services, but that the very best men which Britain can produce should be attracted to them. This cannot be done on sentiment. It is only possible to attain this object if you can put before a young man a definite and attractive proposition. How in practice this is to be done in the case of the Civil Service it is not for me to dictate, but I think it might possibly be accomplished by the creation of a British Imperial Service with definite provincial posts reserved for it, and the creation of provincial services recruited in India.

Lastly I come to the question of our attitude before the Royal Commission. Time does not permit of my dealing with this at any great length, but it is well to bear in mind what are the functions of this Committee. Those functions are imposed upon them by the statute. Shortly put they are bound to examine the whole position and report whether, in their opinion, responsible government is possible in this country, and if so, to what extent. It does not follow that they are bound to make the same recommendations for every part of India.

Secondly, it is well to remember that responsible government is not synonymous with Democracy. The British Empire was not built upon Democracy. That is a system of Government which has grown gradually after political education, and is now on its trial in Great Britain. This system is, as far as I know, repugnant to the ideas of most of the peoples of India and they are in no wise ripe for it. If in another 100 years they have reached politically the position which England had reached 100 years ago, they will have made very good going.

Fundamental Fallacies

I think it is particularly necessary to bear this latter fact in mind in considering this problem, because in my opinion one of the fundamental fallacies underlying the Reforms Scheme was the fact that it promulgated a system of Government for which an electorate was essential, and then went out to look for the electorate. That is a political *'husteron proteron'* which it is difficult to justify and no one can say that the practical results are encouraging.

The second fundamental fallacy underlying the Reforms Scheme, in my opinion, is the method, no doubt well-intentioned, by which it was proposed to engender a sense of responsibility in the Legislative bodies. It seems to me, as at present advised, that if you wish to engender political responsibility in the Councils it is necessary materially to extend their responsibilities. At the same time you must realise the vital importance of ensuring that men of the right stamp are elected or nominated to these Councils.

Only Practical Basis

I personally have a feeling that the only practical basis to proceed upon as a start is that of mutual self-interest, using nominations to protect the right of the uneducated classes. This is a problem which I should essentially desire to approach neither from a defeatist point of view nor from the point of view of sentimental optimism. I confess that the instances which present themselves to us of the efforts of Indians to manage their own affairs do not inspire one with an immense amount of confidence. In Calcutta we always have in front of our eyes the Corporation, which claims to be a national body and certainly is dominated by the Swarajists. Passing over their distressing failure to function or try to do so at the time of the recent riots and the childish irrelevancy of their debates, (at any rate as reported in the newspapers) I think they have firmly imbued everybody with a sense of their inefficiency.

Reasons Against Delaying the Commission

I have spoken as though this question of our attitude before the Statutory Commission is an immediate one, and you tell me that this Association has consistently held that the Commission should not be appointed till 1929 and that the experiment should be given the full lease of life prescribed. That is no doubt true, but on that point, speaking for myself, I have largely changed my view. It seems to me that there is little, if anything, to be gained by delay.

We have had three elections. As a result of the last election the Swarajist Party has been returned in various places as the party which commands the largest number of votes. In Madras they have already refused to make the attempt to work the Reforms Scheme. If they are consistent—and they sometimes are—they will refuse everywhere else. Now, if you have a state of affairs where the most important Indian political party wholeheartedly condemns the system, the British community from the start, while entirely willing to work it, has condemned it,—the other political parties have been, shall I say, lukewarm and the people who really matter are either ignorant or indifferent—I cannot altogether see the argument for delay.

Commission's Personnel

As to the personnel of this Committee, when it is appointed, in my studied opinion—and it is also the opinion of the Delegates at the recent Conference at Cawnpore—the best form of Commission would be a small body appointed by, and possibly from, those who have ultimately to decide this matter. I mean the Houses of Parliament at Westminster. The desideratum is an impartial and unanimous report and I think it can best be achieved by such a body. But if it is proposed to appoint a body comprising any shades of opinion in this country we shall press, as I think it is our right, to be represented on the Committee.

Gentlemen, I have kept you too long, and I must apologise for once more referring to the Calcutta Corporation who I am glad to say represent nobody except themselves. There may be something to be said for not welcoming your guest on his arrival. It may be wise to postpone this function until he has left. You then have the advantage of knowing that he has not stolen the cigars and that he has subscribed to the local charities. That is not the view of this Association. It took the earliest opportunity of welcoming His Excellency on arrival in India, and we have been fortunate enough to secure his personal presence amongst us to-night. I desire to repeat the welcome.

We take the view that His Excellency's term of office will be among the most crucial that we, at any rate, will witness in India, and I desire to assure him that during that term not only will he have our sincere good wishes for himself, personally, but that in all his efforts towards stable, even-handed and efficient government in this country and in all attacks on such efforts, he will have the staunch and consistent support of the European Association.

Mr. James' Speech Criticised.

MR. RANGACHARIAR'S VIEW.

"Irritant speeches like that of Mr. Langford James at the European Association Dinner should not obscure our judgment. We have to face the practicalities of the situation in a manly way, and I earnestly hope that under the guidance of Mr. S. Srinivasa Iyengar, the Gauhati Congress will lay down no hard and fast rules for adoption by popular representatives in the Legislatures." In this strain Dewan Bahadur Rangachariar, who was Deputy President of the Legislative Assembly, made a statement to the Associated Press, while discussing the present political situation.

Mr. Langford James's speech, said Mr. Rangachariar, did not represent the views of the Association or of the community to which he belonged. In fact, Mr. Rangachariar had heard from reliable sources that many of the Europeans, present at the dinner, felt uncomfortable over his speech. But if those views did represent the views of the Association or the European community, then it was time that those Indians who had hitherto extended their hand of co-operation to the European community should reconsider their position.

He had been particularly gratified during the last six years of his experience in the Assembly at the way in which the European representatives from Bengal, in the Central Legislature, gave the lead to other non-official Europeans in taking a reasonable view of the demand of Indians for their advancement. He could not forget the part played by Sir Alexander Murray, Sir Campbell Rhodes, Sir Walter Wilson and Sir Darcy Lindsay in easing the situation, whenever acute controversial topics arose in the legislature. During his tours as Secretary of the European Association, Colonel Crawford often asked for a fair understanding with the European Community and they on their part were always inclined to appreciate their points of view. Nobody desired that the European community should have had a large stake in India and there was no question, as he had often stated in the Assembly of their being turned out or dealt with unjustly, or unfairly. But if those interests were to be used to deter early realisation of the goal of responsible Government by India then those who took the view of Mr. Langford James would have to thank themselves if the indigenous population took a definitely hostile attitude.

He hoped there would be an early repudiation by responsible Europeans and the European Press in India of the sentiments contained in his speech, but so far he had not noticed any such disapproval. It was speeches like this which gave accession of strength to the Swarajists in their obstructive programme and produced bitterness of feeling throughout the country.

Referring to the position resulting from the elections and prospects of deliberations of the Gauhati Congress, Mr. Rangachariar said that under the presidency of his able and distinguished friend, Mr. Srinivasa Iyengar, he hoped the door would be opened for a union of all the nationalist forces. Continuing, he said that Madras had in a large measure declared itself Swarajist, chiefly because the people there had to get rid of a purely communal ministry.

The first opportunity should be taken by the Congress to revise its programme so as to give provincial autonomy in such vital matters as acceptance of office, or resort to obstruction because conditions varied from province to province. In Bengal, for instance, so long as the Ordinance was there and the detention without trial of prisoners continued one could understand a resort to the policy of obstruction in that presidency, futile though obstruction was. But the opportunities of doing considerable good to the country through working the Reforms was possible in Madras and if the Reforms had not been a thorough success in this province it was because the communal ministry was enthroned in power. The new ministry had the moral support of Mr. Srinivasa Iyengar and his Party, but it could not effectually work to the good of the province or, in a bold and independent manner, proceed with its objective without the active support of the Congress Party.

Mr. Rangachariar regarded the next three years as an important state in

the political development of India, because the period came just before the enquiry by the Statutory Commission, and he deplored the divisions in the Nationalist forces. Continuing, he said that the policy of obstruction was not an end in itself. No politician would hesitate to resort to obstruction if circumstances demanded it, but what he objected to was the determination of the policy of obstruction beforehand. His opinion was that the representatives in the Legislatures should be given full freedom to decide for themselves what course of action was best suited as occasion demanded and if they erred there were always the electorate and public opinion to correct them. He applied to all Congressmen attending the Gauhati Session to seize the opportunities for united action.

The experience of the last six years in the Legislatures in which they had to often change their programme and policy of action was sufficient to show the lack of wisdom in laying down any hard and fast rules by the Congress for adoption by the popular representatives in the Legislatures. It was somewhat disappointing for him to read Pandit Motilal's statement in which he spoke of the maxima and minima of their demand. If Mr. Gandhi was going to be a "silent spectator" as he threatened to be, and if Pandit Motilal Nehru was going to take an unflinching attitude then the prospects of union, for which efforts were being made by Mrs. Naidu and others, appeared to be gloomy.

Mr. J. M. Sen Gupta's Threat.

In an interview to a Press representative Mr. J. M. Sen Gupta, leader of the Congress Party in the Bengal Council, said that it was his opinion that having regard to the strength of his own party and the return of a number of members who did not belong to his party but were opposed to the revival of Dyarchy it would be most difficult in Bengal to form a ministry when the Council met. Asked whether there was any likelihood of a change of policy at Gauhati, Mr. Sen Gupta said: "We are bound by the pledge on which we sought election and until the Congress at Gauhati alters in any respect the resolution adopted at Cawnpore last year will bind us and will be strictly followed by us in Bengal. Personally, to me, it seems impossible to even entertain the proposal of the acceptance of ministry and the consequent revival of Dyarchy in Bengal, having regard to the continued detention for over two years without trial a large number of public men. Moreover, there has been no response of any kind on the part of the Government in the direction of a change of the constitution. Not only has there been no indication of any relaxation of policy pursued by the Government with reference to the two matters mentioned, but on the contrary we have the European Association through its president expressing their views which clearly make it impossible for any honourable Indian to think of any change of policy."

The people of India do not differentiate, and in my opinion quite rightly, between official and non-official Europeans in India. Lord Lytton pleaded, only the other night, for mutual trust between the people of India and England. The answer, flat No, has now been given by the President of the European Association in the presence and without any protest of Their Excellencies the Governor of Bengal and the Viceroy of India. The European Association desires a free fight to the finish. Is it any wonder that the Indian regards all this talk of co-operation as a huge farce? I would have taken no notice of Mr. Langford James's speech or the sentiment underlying it, but for the fact that he spoke as the President of the European Association in Bengal. I feel, it is my duty as a member of the Indian National Congress, as leader of the Swaraj Party in Bengal and also as the Mayor of the City of Calcutta to sound a note of warning.

I say with all the emphasis that I can command and with a full sense of responsibility that if Mr. Langford James or his compatriots continue making speeches of the style of which we had a specimen last Tuesday night, it would not be long before the challenge of the European community was taken up by the people of India. The elementary fact which should not be overlooked by the Europeans in India is that they total at the outside two and a half or three lakhs. Half a million men, sufficiently desperate, would be more than enough to give them such trouble as to make them realise their singularly precarious

position in this country. The Congress is pledged to non-violence and its members are sincerely anxious that the struggle for Swaraj should be carried on, on non-violent lines. It pains me to think that our efforts should be frustrated by gentlemen of the ilk of Mr. Langford James. Once more, I warn Mr. Langford James and his friends against such outbursts as we have witnessed lately. The mills of Providence grind slowly, but they grind exceedingly small. The events in China ought to be an eye-opener to the more sanguinary section of the European Community.

The European Association and the Y. M. C. A.

The adoption of a new constitution for the Council of the Association and a heated debate on the resolution on Y M C A and politics were the features of the annual meeting of the European Association in Calcutta on the 19th February 1927.

Mr. C. B. Chartres, incoming-President, in moving thanks of the Association to the branches for their work during the past year eulogised the record amount of work done by the branches and said that the one special feature has been that all branches held successful dinners at which Governors of their respective provinces were guests and took the opportunity of making public utterances.

Sir Hubert Carr then moved the adoption of alterations in rules and branch regulations and said that the proposed alterations were aimed at giving the council an all-India character. Election to the council must not be by a small meeting but by referendum. It was hoped by securing members of the Council from different provinces to secure the very best experience that the community could offer. Members of the Council being in different provinces could not be any handicap as most of the important business transacted by the Council was done by circulation and that there was plenty of time for consulting all member of the council. The meeting then adopted the new constitution.

Y. M. C. A. And Politics

Mr. Hobbs then moved his resolution :—" That the European Association in India view with gravest disapproval the increasingly active part taken in politics in India by the secretaries employed by Y M C A and urge English National Council immediately to take steps to recall British Secretaries who persist in taking active part in political work and in future to ensure that any men sent from Eng'nd shall be pledged to religious, physical, educational and recreational work, also that they shall be pledged not to engage in political work of any kind nor permit political propaganda to be carried on in their halls or to assist those who tour India with political missions." The resolution, after a heated debate in which speeches were made both for and against the motion was adopted after omitting the words "increasingly active" in the first sentence of the motion. Mr. Hobbs said :—

" To-night it is my object to rouse sufficient interest to see what can be done to check paid servants of the Y M C A from selling their time to promoters of anti-British political movements, to let the public know that to-day the Y M C A in India is as far from religion as modern science has left Moses. In 1917 or 1918 the European control of the Y M C A in India came to an end. Dr. Dutta and Mr. K. T. Paul assumed charge and incidents in regard to literature distributed among British troops in Mesopotamia came to my ears. With many friends in the Army I soon heard what was going on in the United States where I spent some time in 1919. I found they spoke badly of the Y M C A and being slightly interested I collected notes. In 1920, the Indian press commented on 13 resolutions passed by the Convention dealing with the Y M C A, one of which was certainly the declaration of an intention to take up politics. Then

its organ, "The Young Men of India" attracted notice. Articles violently anti-British and some in eulogistic terms about Russian revolutionaries began to appear. Criticism forced the editor and others to point out that 'writers of contributed articles were alone responsible for opinions they expressed unless it is otherwise stated.' The result of deviation from religion to politics was soon noticeable. In Calcutta in 1921, when the Prince of Wales came to India, the Branch in the College Street was reported by the Police to be the nest of stone-throwers. Then at the Rotary Club, the Y M C A and at other meeting places in Calcutta disturbers appeared evidently trained in one school who spoke in such a way that when they left off, it was easy to see their mission was to create uneasiness, arouse suspicion and gradually work up the finale of bitter hatred of everything English."

After referring to the visit to Calcutta of one Dr. Sherwood Eddy, Professor K. L. Saunders and Prof. H. E. Ward who, he said, made anti-British propagandist speeches, Mr. Hobbs asked: "Why did Eddy and Saunders conceal the fact that they were on the staff of the Y M C A?" My next question would be "Was Ward one of their men also?"

Proceeding, Mr. Hobbs said: "On page 13 of the Y M C A Calcutta Branch Report for 1925, I read that educational work maintained its standard, for among those who lectured to the boys was Mahatma Gandhi. They evidently had not the nerve to try him on the older members, but on boys. No doubt these youngsters had an opportunity such as nauseated some of us at the European Association and the Rotary Club when the Chairman and others fawned over and smirked the man who told the millions to insult that messenger of peace and goodwill, the Prince of Wales, and whose political career has been marked by unspeakable horrors and milestones of murdered people.

"Perhaps from that you will begin to understand that the Y M C A has nothing at all to do with politics. As Mr. D. F. Maclelland, Secretary of the Burma Y M C A, recently informed his members that the country possessed a real leader and servant in Mr. Gandhi and real ers were able to gather that in Mr. Maclelland they had a man who talked disloyal tosh. Even Mr. F. E. James in his Chapter on the life of Mahatma Gandhi, where he says that weak-minded illusionist and legal medicrity is second Jesus Christ, would probably deny that he indulged in politics although on the 9th February 1926, when Mr. J. A. Spender was lecturing to the Rotary Club, Mr. F. E. James in the passage-at-arms proudly asserted that Turks had asked the Y M C A to run Turkey. Of course, the Y M C A could not have been meddling with international politics for that proposal to be made or a fable to be invented. All one can say is, "God save Turkey." I believe there are men on the staff of the Y M C A, who agree with me, who resent deviation into the dangerous paths and corruption of Indian politics and who in secret welcome my attack on a decadent institution. The fact that they have not come out into the light of day speaks for itself. All are not political agitators. Many among them live up to the principles of the founder of the Association. The Red Triangle stands for soul, mind and body. The colour of the triangle is not the tint of their political creed."

Opposing Mr Hobbs' motion, Mr. F. E. Wilmill denied that their work had anything whatever to do with the Y M C A. As regards Mr F. E. James he was too well known to them for the speaker to defend him. Mr James had done valuable work on the Council of the Association as also as a member of the Legislative Council. Mr. Wilmill asserted that there was no ground whatever for the association to act on the lines indicated in the resolution.

Sir Hubert Carr, an ex-President, suggested that now that they had drawn the attention to the state of affairs they should drop the motion. Eventually the motion was put to vote and declared carried amidst cheers.

General Secretary's Spirited Reply.

Dr. S. K. Datta, the General Secretary of the National Council of the Young Men's Christian Association, India, Burma and Ceylon, addressed to the General Secretary of the European Association, Central Administration,

Calcutta, a reply to the resolution passed at the annual general meeting of the European Association held on the 18th February. In the course of the letter Dr. Datta states:—

"I note that you have failed to forward the evidence on which this resolution was based, but.....I take it that the materials on which the resolution was passed are to be found in the reports of the two speeches which were delivered on that occasion"

"A Baseless Charge"

The letter refers to Mr. Hobbs having moved the resolution in a speech lasting forty minutes and goes on:—

Mr. Hobbs opened his attack by stating that in the recent history of the Y M C A "there had been a dangerous and mischievous perversion of a movement". He further added that in England it had become closely associated with the Labour Party and that it was a tragedy "that so admirable a movement should take the broad road which leads to anarchy." Such a charge is, I believe, absolutely baseless, and can easily be refuted by anyone who will consult the list of members of the English National Council of Y M C A's. He spoke of the Y M C A being essentially "British in principle". I regret I am unable to follow the speaker in this, for while it was true that the founder of the Y M C A was British, its principles have been Christian, and Christianity is greater than nationalism. The speaker then stated that the Y M C A (apparently in England) had been severely handled by an English journal for ventures in trade. I may point out that the English National Council appointed a Committee of Enquiry consisting of Lord Aakwith, Sir R. V. Vassar-Smith and Mr. F. Gore-Browne, K. C. The conclusions of this Committee stated that "there is no ground for the suggestion that the Y M C A has been guilty of unfair or unjustified competition"

European Control

The next charge affirms that in 1917-18, European control of the Y M C A came to an end: . . . The control of the Indian Federation of Y M C A's is vested in a National Council consisting of 30 members. Turning to the list I find that 15 of these are British, two Anglo Indians, one American and 13 Indians. I would also take the opportunity to refer to the fact that the Presidents of almost every important local Association in India, Burma and Ceylon are Englishmen, and I pay a tribute to their devotion and to the serious interest they take in their work. Not one of them has even raised the objection that the movement is becoming more Indian. Indeed they rejoice in the fact that this is the case.

"Unpleasant Literature"

Another reckless statement made by Mr. Hobbs (and apparently accepted by your Association) was the one which suggested "unpleasant literature" was distributed by the Y M C A to the troops in Mesopotamia. I presume that this is supposed to have occurred during the War as our connection with Mesopotamia ceased almost immediately after. Again we are prepared emphatically to deny this charge and I would point out that the head of our work in Mesopotamia, the Rev. L. A. Dixon, was mentioned in Sir Percy Lake's despatch and also in General Marshall's final despatch on Mesopotamian operations.

Among those who publicly recorded their appreciation of the work done by the Y M C A in War areas were the Secretary of State for India and General Bingley. Again we have two letters, written to Mr. Paul by Sir Charles Munro, then Commander-in-Chief in India. In one of these letters he says, "I desire to convey to the Indian National Council of the Y M C A and its personnel my grateful appreciation, as well as that of the Army in India, of the magnificent service rendered by them, for the comfort and welfare of the British and Indian Army."

Alleged Change of Policy

The next series of charges refers to the alleged change of policy in the activities of the Y M C A Convention in 1920.....Now this resolution as it stands

was drafted by a Committee, a prominent member of which was Mr. W. R. Gourlay, Private Secretary to the Governor. He realised that if India was to be prepared for self-government, as determined upon by Parliament, it was necessary for us to give young men this help for them to become good citizens.

.....We have resolutely refused to become the agents of any kind of political propaganda; but we are convinced that the discussion and study of matters of public importance is a necessary outlet for young men in order that they may form opinions that are not one-sided.....

We repudiate any suggestion that we have ever permitted our Associations to be used for purposes of political propaganda or by political parties. In 1923 we felt that our resolution might be misunderstood, and so we presented to the Convention a resolution, which is possibly clearer in its wording and was not open to misconception.

"Young Men of India"

Reference was made by Mr. Hobbs to the Journal of the National Council of Y. M. C. A.'s called the "Young Men of India"; and we are informed that "articles violently anti-British, some in eulogistic terms of Russian revolutionaries, began to appear.".....On the whole it was held that these (four) articles might have the effect of causing mistrust and bad feeling; and the Executive took certain practical steps including the appointment of a committee, to scrutinise articles contributed to the "Young Men of India," in case they were controversial in tone. Since then no complaint has come to us regarding our magazine. I may add further that the statement regarding the publication in the "Young Men of India" of articles eulogising "Russian revolutionaries" has no foundation whatsoever.

Alleged Stone-Throwing

During this period of stress (1921-22) Mr. Hobbs tells us that the College Street Branch in Calcutta was reported by the Police to be a "nest of stone-throwers." This is the first time that I have heard the charge mentioned, and I naturally investigated the matter. I have before me a statement made by Mr. C. S. Paterson, who has lived in the building for many years and still a resident there. He says that during the Prince of Wales's visit to Calcutta the building was decorated with flags, and was the only one so decorated in the immediate vicinity. As far as Mr. Paterson knows, no stones were ever thrown from the building. As a matter of fact the Police were given the courtesies of the building and made free use of our telephone for their business. I may add that the Prince of Wales never passed by 86 College Street during any time of his visit.

Speeches at the Rotary Club

I pass now to the statements made regarding the speeches of Dr. Eddy and Dr. Saunders at the Calcutta Rotary Club, an institution with which I may say the Y. M. C. A. is not even remotely connected. Dr. Eddy was a member for nearly twenty years of the staff of the Indian Y. M. C. A. He left India in 1911. He is most certainly not a revolutionary he has been represented to be, but in any case he is not on the Y. M. C. A. strength in India.

Next comes the case of Prof. K. J. Saunders. If Mr. Hobbs will only turn up the proceedings of the Rotary Club, he will see that the statement made by him that Dr. Saunders had described himself as a Canadian educated in California, was a mis-statement.

As a matter of fact, Dr. Saunders was educated at Clifton and Emmanuel College, Cambridge. He holds the degree of "Doctor of Literature" conferred on him by his University. At present he is Professor in the "Pacific School of Religions," Berkley, California. Dr. Saunders came to India under the Church Missionary Society on the staff of Trinity College, Kandy. Before the War he was appointed to the staff of the Indian National Council as the Literary Secretary. He was sent by the Y. M. C. A. to France with the first contingent to the Indian Army in 1914.

The reason he resigned his position in 1921 was the fact that two of his brothers, one an officer in the British Army and the other an officer in the Navy, had emerged from the War with their constitutions shattered. Dr. Saunders

wrote to me definitely saying that he felt it was necessary for him to obtain a more lucrative appointment in order to help these two brothers. Was it decent of Mr. Hobbs to refer to Mr. Saunders as a "funk hole Christian of the Y M C A"?.....

"A Barefaced Lie"

Rev. E. C. Dewick, a member of our staff, also an Englishman, was also bitterly assailed by Mr. Hobbs.....

There is one statement to which I feel a special rejoinder is necessary. Apparently the European Association accepted as proved Mr. Hobbs's statement that the Y M C A Boy Scouts are prevented from singing "God Save the King." The Y M C A is connected with the Boy Scout Movement in the following provinces:—The Punjab, the C. P., Madras Presidency and Burma. We have made enquiries at the official head-quarters of the Boy Scouts Organisations. The replies indignantly repudiate Mr. Hobbs's statement, the Provincial Secretary of the Boy Scouts Association, telegraphing from Nagpur that it was a "barefaced lie" so far as Central Provinces are concerned.

Both Mr. Hobbs and his second Mr. J. N. Becker spoke of Bolshevik influence in the Y M C A in China. Unfortunately we are not in a position to make a statement regarding China as the Y M C A of India has no organic connection with the Y M C A of China.....

On the other hand, we have in our records statements made by a prominent Russian revolutionary, and by the anti-Christian Society in China, regarding the Y M C A. The leader of the Russian "Pioneers." (The Russian Youth Movement) says definitely: "The Boy Scouts and the Y M C A develop loyalties to God, country and the King. That is why we consider them our enemies." Indeed, before the World Conference of the Y M C A's recently held at Helsinki, a determined and virulent campaign was carried on by the anti-religious organs of the Russian Press, and within the last few months the Y M C A movement, which was seeking to relieve the needs of students in Russian Universities, was expelled by the Bolshevik Government. In China a similar situation has arisen.

The resolution, as it stands, is a direct censure on one of our British Secretaries, Mr. F. E. James. Let there be no quibbling about this. If Mr. James has been a member of the Legislative Council, it was at the invitation of the leaders of the European community in Calcutta. To say the least, it was ungracious of the European Association to pass this vote of censure, which involved Mr. James.

Annual Meeting of the Calcutta Y. M. C. A.

An important pronouncement on the question raised by the European Association regarding the alleged political activities by the Y M C A was made by the Bishop of Calcutta speaking at the annual meeting of the Calcutta Y M C A. on the 9th March 1927. He said he did not want to say anything about the particular charges which had been brought against the Y M C A for the sufficient reason that he did not think things could stay where they were at present. Specific charges had been made by a responsible body against another highly responsible body, and either on one side the evidence must be adduced which would substantiate the charges or else the charges should be withdrawn. He felt that the European Association was every whit as much upon its trial as the Y M C A. Its reputation was at stake no less than that of the Y M C A, because a highly responsible body, representative of much of the business ability, intellect and influence of the European population, not only in Calcutta, but all over India, had sent up a resolution which embodied certain principles, and that resolution was formulated because of certain charges made against the Y M C A. The European Association must substantiate those charges or else it would lose its reputation in the eyes of fair-thinking and right minded men and women.

Proceeding, the Bishop said he would not say anything about the specific charges, because they ought to be investigated, and one ought not to speak on things under investigation and upon which judgment had not yet been passed. In the first place, it had been held that no secretary of the Y M C A should take

an active part in politics. If it were in England he would agree, because there, to take part in the counsels of the nation, a man was required to devote practically the whole of his time to the work, and he was also a paid servant of the Crown. In India the position was entirely different. Here, the Legislative Councils met for short periods two or three times a year. In India, too, there was communal representation. They had, for instance, the representation of the European community. There were no Europeans of leisure in India and, therefore, they had to obtain somebody who was employed by others to represent them in the Bengal Council and in the Legislative Assembly.

The Indian Christian community needed representation at Simla. Were they going to say that they would not employ any man who was employed by others? Surely they could not say that in the case of the Indian Christian community. It was perhaps possible to obtain a more leisured man, but they wanted the best man in such an influential and representative body as the Assembly, and if he happened to be a Y M C A Secretary, it should not be impossible for him to give so much of his time as attendance in Assembly demanded. He had hoped that this year they would have seen Dr. Dutta again representing the Indian Christian community in the Assembly. Dr. Dutta was a man of ability and independent judgment, and after all, if a man was to represent a community, he should be able to think and speak what was in his mind, and not necessarily merely endorse whatever those in authority might say.

In the next place they were told that the concerns of the Association should be religion, education and recreation. He had always been brought up to believe that religion covered all life and meant a particular attitude towards life in its several departments. In the same way he was led to believe that education was not limited to any particular subject, but covered the whole range of subjects that men had to deal with. So, though he believed and wholly endorsed the opinion that the Association had to deal with religion, education and recreation he certainly did not hold that this should rule out any department of life in which men needed education and the Christian point of view. The Y M C A was out to help young men to take a Christian point of view on every subject.

Annual Meeting of the Bombay Y. M. C. A.

A spirited refutation of the European Association's charges against the Y M C A was made in the speeches delivered at the annual meeting of the Bombay branch of the Y M C A on the 31st March 1927. Mr. H. W. Nelson, who presided, entirely endorsed the able statement made by Dr. Dutta. He added the Association had nothing to fear from criticism. He must say it came as a surprise to him that such a bitter attack should be made apparently without foundation by a political body on a Christian organisation. The position, he declared, could not be left as it was and unless the resolution passed by the European Association was withdrawn a full enquiry into the charges should be made and he was confident a full refutation would ensure, thereby leaving the Y M C A in a stronger position to carry on the work which it had so ably done for so many years.

The Governor's Speech.

H. E. the Governor of Bombay, Sir Leslie Wilson, Patron of the Association made a vigorous defence of the Y M C A. He entirely agreed with the Chairman that the position could not be left as it was. "It would be fatal if on the one hand the impression is strengthened that the European Association of Calcutta is needlessly prosecuting an organisation which does so much work in India or on the other hand that the Y M C A is an institution in active sympathy with the enemies of the State. Now I can only speak so far as India is concerned with a knowledge of Bombay and I say without any hesitation whatever that I know of no instance here where the Y M C A has taken any part in politics. It is undoubtedly true that members do discuss politics and it is only right they should." His Excellency quoted the resolution passed by the Y M C A convention in 1920 that the Association should ally itself in no sense with party politics and proceeded, "Let us remember first of all that it would be as impossible as it would

in my opinion be undesirable for members of the Y M C A to refrain from taking an intelligent interest in political questions of the day, more particularly so for as they affect the country in which they live, although it is really equally important that they should take a lively interest in these days in international politics as well. To say that they should not do so would be exactly the same as suggesting that the unions at Oxford and Cambridge and other universities should be suppressed and as is well-known there is always very free discussion on political matters in these unions. Such discussions among the members of the Y M C A are to my mind most useful and any attempt to suppress them would not only be useless, but would do much harm. It appears also that it is thought by some that the Association was becoming too much indianised. Again I can only speak with knowledge of Bombay, but I should regret very much if it were not a fact that Indians took a keen interest in the work of the Association, and held positions of trust and responsibility in it. The Y M C A is a Christian movement and even as there is at the moment a Bill before the Imperial Parliament known as the Indian Church measure which has for its object giving to India and those who reside in India a greater control of Church matters in India, so we ought to be glad if in a movement such as the Y M C A there are many Indians coming forward, proud and willing to help in the many activities of the Association." Proceeding, His Excellency deprecated "these discussions and differences of opinion with regard to a movement which is a Christian movement and which has for its sole object the prosperity of the younger generation of all nationalities." He then paid a warm tribute to the Association's work in war, in many theatres of operations whether in peace or in war. He said: "I know of no other institution which has so unselfishly and so whole-heartedly worked for the benefit of young men of whatever nation they may be. No one can deny these facts and while it is true that memories are short and that war memories are getting distant I frankly confess I find it difficult myself to believe that a movement such as yours, based as it is on the experience of years of trial and anxiety, with a record of proved utility to hundreds of thousands of young men, can think of taking an active part in politics, more particularly as that part, which it is suggested it may play, is one which might prove detrimental to the best interests of the Empire. Personally, so far as Bombay branch of the Y M C A is concerned, I can only ask you to go on as you are doing, helping by your religious work, by your physical education, by your enthusiasm in promoting sport, by your educational and social activities and give to young men of Bombay and the Presidency that help which I believe you and you above all others can give.

Annual Meeting of the Karachi Y. M. C. A.

The twenty-second annual general meeting of the Karachi Young Men's Christian Association was held on the 30th May 1927. Mr. W. F. Hudson, Commissioner in Sind, presiding. The President of the Association, Mr. F. Clayton, in the course of a lengthy address said:—"A question on which I desire to make some comment is the vexed one of the Y M C A and politics. In this there appear to be two issues, firstly, the development of a political atmosphere within the Association and, secondly, the advisability of its salaried leaders entering the Assembly, or the councils. My main reason for dealing with the question is that my position as the President of the Karachi Association may be made quite clear to our citizens, without whose generous support given ungrudgingly in either money, time or work, this branch could not continue to exist. When soliciting assistance, we have met with searching enquiries on this question; but fortunately have been able to reply with complete satisfaction. It was during my absence from Karachi in the latter part of 1923 that the tendency to develop a political atmosphere within the Y M C A in India first attracted my attention. After my return to Karachi the question continued to give me deep concern until early in 1924. I felt it my duty to discuss the subject with the Board of Directors. The carefully considered decision of those discussions was that there should not be any politics whatever within this Association. Wherever a religious, charitable or social

organisation has become dominated by politics, disaster has followed. Karachi saw the trend of events. Some other associations realised the danger ahead as also did a number of individuals interested in upholding the real functions of Y M C A work, amongst whom was H. E. the Commander-in-Chief of the Army in this country.

In this connection I would draw your attention to a resolution which H. E. the Commander-in-Chief of the Army in India submitted to the National Convention of Secretaries of the Y M C A in India which read :—

"The Convention agree that the Association should ally itself in no sense with party politics and discussion on political questions or on questions which are likely to assume a political aspect should be rigidly excluded. It believes that the Association should exert its influence in every Christian way possible towards the complete application of the teaching of Jesus Christ to commercial, industrial and social questions and should stand for justice and fair play in both public and private life."

At this stage may I mention that in March this year a conference of the General Secretary of the Chief branches in India and Ceylon was held in Calcutta but while Karachi distinctly comes within the category of a chief branch our General Secretary was not invited to be present. The views of this Association are well-known in the Indian National Council and I can only assume it was desired to eliminate opposition. If our General Secretary had gone to express the opinion of this Association the views put forward would undoubtedly have been different from those approved.

I must, however, pass on to the other issue, that of the advisability of salaried officials of the Association in India entering the Legislative Assembly or the Legislative Councils. The persons to whom I refer either come to India or are selected in this country for filling positions in the Association because they are men trained to develop the ideals for which the Y M C A stands the world over. Instead of this part of their time and the money subscribed to pay for their services are being alienated to a political object. Perhaps I had better make quite clear what I mean by alienation of time and funds. The salaries of such men, whether paid by subscriptions raised in England, America or India are provided from money given to Association work and its objects and I should doubt if any one of such subscribers would be satisfied to know that a part of the time of some officials is or has been spent in work other than for the Association. To the extent that time is given to the legislatures, so far are the funds provided for Association work being alienated to other objectives. In proof that the diversion of Y M C A officials' attention to politics does affect their Association I may here mention that no senior official of the National Council has been able to find time during several years past to visit Karachi. Unless this political work is stopped friends of the Y M C A will undoubtedly withdraw their support and the work of the Association will suffer accordingly. I know of one definite instance not in Karachi, where a very valuable contribution was withheld for some time and the Association would have felt the loss seriously if the subscriber's general feelings had not guided the final decision. The English National Council has expressed its disapproval of any member of their staff entering the Legislature.

In conclusion I desire to make it clear (1) that not a pie of the money subscribed by our generous supporters in Karachi is used for any other than legitimate Association work (2) that there is no political atmosphere in our work here and the sustained success of our literary section is ample proof that without politics increasing audiences can be interested and (3) that no subscriber in Karachi has so far withheld support to us on account of this vexed question and none need do so, for we will not have any politics in this branch.

OFFICIAL REPORT.

Jan.-June 1927.

The Indian Sandhurst Committee.

The Indian Sandhurst Committee, or otherwise as the Skeen Committee, was appointed in June, 1925. The official communique announcing its constitution was as follows :—

"In the Legislative Assembly on the 14th March last, in the course of the general discussion on the budget the Hon'ble Sir Alexander Muddiman gave an undertaking that the Government of India would consider the appointment of a Committee to examine the means of attracting the best qualified Indian youths to a military career and of giving them a suitable military education. With the concurrence of the Secretary of State, the Government of India have now definitely decided to appoint such a Committee. The Chairman will be Lieutenant-General Sir Andrew Skeen, K.C.B., K.C.I.E., C.M.G., Chief of the General Staff in India. The Government of India are not yet in a position to announce further details, but the Committee will include non-official members representing both the military classes of the population and Indian political opinion."

2. *Terms of Reference.*—The terms of reference to the Committee, as finally framed by the Government of India, are as follows :—

"To enquire and report :—(a) By what means it may be possible to improve upon the present supply of Indian candidates for the King's Commission both in regard to number and quality. (b) Whether it is desirable and practicable to establish a Military College in India to train Indians for the commissioned ranks of the Indian Army. (c) If the answer to (b) is in the affirmative, how soon should the scheme be initiated and what steps should be taken to carry it out. (d) Whether, if a Military College is established in India, it should supersede or be supplemented by Sandhurst and Woolwich so far as the training of Indians for the commissioned ranks of the Indian Army is concerned."

3. *Composition of the Committee.*—The Committee, as finally constituted, was composed as follows :—

CHAIRMAN :—Lieut.-General Sir Andrew Skeen.

MEMBERS :—Pandit Motilal Nehru ; Mr. M. A. Jinnah ; The Hon'ble Sardar Jogendra Singh ; The Hon'ble Sir Phiroze Sethna, Diwan Bahadur Ramachandra Rao ; Nawab Sir Sabibzada Abdul Qayyum ; Honorary Captain Ilira Singh ; Dr. Ziaud-din Ahmad ; Captain J. N. Banerjee ; Major Thakur Zorawar Singh ; (representing the Indian States) ; Honorary Captain Haji Gul Mawaz Khan ; Major Bala Sahib Daffe ; Mr. E. Burden.

Pandit Motilal Nehru tendered his resignation as a member of the Committee on March 11th, 1926.

Summary of Recommendations.

Far-reaching and fundamental changes were recommended by the Committee, their central feature being the abandonment of the 8-Unit Scheme and its replacement by a scheme proposing that half of the total cadre of King's Commissioned Officers in the Indian Army be Indians in 1952, the establishment of an Indian Sandhurst in 1933, and the opening of all wings of the Army to Indians. The Committee recognised the need

for the highest efficiency, for the maintenance of the proportion of British recruitment and the possibility that the scheme might require to be modified in the light of experience. The report is practically unanimous. The following are the main recommendations :—

(i) The scope of the employment of Indians in the higher ranks of the Army in India should be greatly extended, and facilities should be provided in India to train them for King's Commissioned rank. A substantial and progressive scheme of Indianisation should be adopted, and, subject to the present standard of efficiency being maintained, should be faithfully carried out.

Such a scheme should provide for the following measures :—

(a) In 1928, the number of vacancies, at present ten, allotted to Indians at Sandhurst should be doubled, and thereafter should be increased progressively until a military college on the lines of Sandhurst is established in India.

(b) Indians should be made eligible to be employed as King's Commissioned officers in the Artillery, Engineer, Signal, Tank and Air arms of the Army in India. For this purpose they should be admitted to the Royal Military Academy, Woolwich, and the Royal Air Force College, Cranwell, provided they qualify by the same tests as British boys, until the occasion arises to create corresponding facilities for their training in India. From 1928 eight vacancies should be allotted to Indians at Woolwich and two at Cranwell, and these numbers should be increased progressively, in due proportion.

(c) In 1933, i.e., as soon as the improvements recommended in matters of subsidiary importance, connected with the securing of suitable candidates for the Army, have had time to take effect, a military college, with an establishment at the start of 100 cadets doing a three years' course, should be created in India on the model of Sandhurst. The establishment of the college should be increased progressively.

Successful cadets from the college should be granted the King's Commission in His Majesty's Land Forces.

(d) In order to secure the maintenance of the Imperial connection in military matters, 20 vacancies should continue to be reserved for Indians at Sandhurst after the opening of the Indian military college.

Under the scheme proposed half the total cadre of officers in the Indian Army would be Indians in 1952.

(ii) Steps should be taken to maintain the proportion of British recruitment required.

(ii) Indian King's Commissioned officers trained at the Indian military college should complete their initial in England.

(iv) Within reason questions of finance should not be allowed to stand in the way of giving effect to these proposals.

(v) The Prince of Wales' Royal Indian Military College, Dehra Dun, should be gradually expanded up to the limit most suitable for an educational institution of this character. The control of the college should remain in the hands of the military authorities, and its main object should continue to be the production of boys for the Army and Navy. Its curriculum and standard of teaching should, however, be carefully adjusted with a view to securing also that the course of education at it confers a qualification recognised by the University authorities.

When the expansion of the existing college is complete, a second college on the same lines should, if circumstances demand it, be opened in some other part of India.

(vi) The Government of India should impress upon educational authorities the paramount national importance of reforming the system of education in India with a view to developing in the pupils of the ordinary schools and colleges those characteristics, so essential in an Army officer, to which little or no attention is at present paid by them, and should appeal to them to reorganise the institutions under their control to this end.

(vii) The upper age limit for entrance to the Army should for the present remain unchanged. The ultimate aim should be to reduce it so that Indian boys shall enter the Army on an equality as regards age with British boys.

(viii) The existing methods of publicity should be continued, but should be supplemented by enlisting the aid of the University authorities and Provincial information bureaux.

(ix) Entrance to the Indian military college in the case of candidates from the Dehra Dun College and the ordinary schools and colleges should be by open competitive examination.

(x) The basis of selection should be wide, and the method of applying to sit for the entrance examination as simple as possible. No preference should be given to any particular class or community.

(xi) The Army entrance examination should be conducted by a single central authority at the headquarters of the Government of India, to which any boy, provided he possesses certain prescribed qualifications, should be eligible to apply direct for permission to attend it.

This authority alone should have the power after due enquiry as to his qualifications and antecedents to refuse a candidate permission to sit at the examination. All candidates whose applications are approved by this authority and who satisfy a military medical board as to their physical fitness, should be allowed to attend the central entrance examination.

(xii) Advisory boards should be constituted in convenient centres for the purpose of advising candidates as to their chances of success in the entrance examination. Such boards should have no power to reject a candidate, and a candidate should not be bound to abide by their verdict.

(xiii) Candidates should be required to pay all expenses incurred by them in proceeding either to attend the medical board or to sit at the entrance examination.

(xiv) To be eligible to sit for the competitive entrance examination a boy educated at one of the ordinary schools should be required to be between the ages of 16½ and 18½ and to have passed the Matriculation or equivalent standard.

(xv) Boys from the Dehra Dun College should enter the military college at approximately the same age as boys from the ordinary schools. As it is desirable that boys should spend at least six years at the Dehra Dun College in order to get the maximum benefit from it, the age limits for admission to the College should be reduced from the present 11½ years to 13 years to 10 to 11½ years.

(xvi) Indian boys educated in England who wish to receive their military training at the Indian military college should be required to qualify by the same tests as are applied to boys educated in India.

(xvii) British boys who wish to enter the Indian Army should, if they are willing, be permitted to receive their military training at the Indian military college on the same conditions as Indian boys.

(xviii) The entrance examination should consist of a written examination and an interview test. The final nomination should be made by H. E. the Viceroy on the combined results of these two tests. The majority should be chosen from among those who stand highest in the order of merit, but H. E. the Commander-in-Chief should have the power to recommend the nomination of a certain percentage of candidates from among those who qualify, but do not stand sufficiently high to obtain nomination in the ordinary course.

(xix) Indian boys, whether educated in England or in India, who desire to enter Sandhurst should be required to qualify for admission by the same test as British boys. Arrangements should be made to allow them to compete for entrance either in England or in India. Urdu should be included as an optional subject in the entrance examination.

Boys studying at the Dehra Dun College who wish to enter Sandhurst should be permitted to remain at the college for an extra year in order to complete their preparation for the entrance examination.

(xx) No pains should be spared to place the machinery of the Indian Military College on the highest plane of efficiency which India can attain. The instructors should be mainly British officers and should be picked men. If necessary, specially attractive terms of remuneration should be offered in order to secure teachers of the highest capacity and reputation.

(xxi) The course at the Indian Military College should, in addition to military subjects, include a period of academic study as well. It should last for three years, of which the first should be mainly devoted to academic study and the last two mainly to military training.—The academic standard attainable at the end of the course should be so framed as to secure specific recognition from the educational authorities. The scope of the military training should be the same as that of the present Sandhurst course, but it may be desirable later to convert the college into a combined institution providing also the facilities of Woolwich.

(xxii) The establishment of the college at the start should be 100 cadets. It should be inaugurated with an intake of 33 cadets a year for the first three years, so that it may reach its full initial establishment in the year in which the first batch of entrants commences the last year of their training. In the fourth year of its existence, and subsequently at intervals of three years, the annual intake should be increased by 12.

(xxiii) The expenses of maintaining the Indian Military College should be reduced to the lowest level compatible with efficiency, and, in order to bring the college within the reach of Indian parents of the classes which will provide the majority of cadets, the fees charged should be fixed at an amount which can be paid without hardship by parents of these classes.

(xxiv) Scholarships should be provided by the Government of India for 20 per cent of the boys who pass into the college annually, both, to encourage talent and to assist the sons of soldiers who would otherwise be unable for financial reasons to enter the college.

Some of these scholarships should be fixed at an amount which will cover part of the expenditure on the boy's education at Dehra Dun, if he has been educated there. Apart from this there should be no modification

of the existing official arrangements regulating the incidence of the cost of the education at the Dehra Dun College.

In addition the endowment of scholarships through private generosity for boys of particular Provinces, communities and Indian States at Dehra Dun and the Indian military college would be welcomed.

(xxv) Boys who elect to receive their education at Sandhurst after the military college has been established in India should receive no greater pecuniary assistance than that which is given at present to Indian boys proceeding to Sandhurst.

(xxvi) The arrangements for the guardianship of the Indian cadets at Sandhurst should be placed on a satisfactory footing. Parents who are in a position to do so should be encouraged to select their own guardians for their boys. For those boys whose parents are unable to secure the services of a personal guardian an official guardian should be appointed. He should be very carefully chosen and his duties should be precisely defined. In view of the heavy responsibilities which will devolve upon him he should be granted some substantial remuneration.

(xxvii) Viceroy's Commissioned officers who satisfy certain conditions should be admitted to the Indian military college in limited numbers for the purpose of qualifying for the King's Commission. Candidates should be selected by a board similar to that which interviews candidates for Sandhurst. Those admitted to the college should only be required to undergo the last two years, or the military portion, of the course.

(xxviii) Special educational facilities should be afforded to the children of the classes from which Viceroy's Commissioned officers are drawn, so that the best of them may have a practical chance in future of rising through Viceroy's to King's Commissioned rank.

(xxix) Suitable Indian students of British Universities should be granted direct commissions in the Army. To make this proposal effectual, the Officers' Training Corps at British Universities should again be thrown open to Indians, any expense incurred in such a step being borne, if necessary, by the Government of India.

(xxx) The time is not ripe at present for the grant of direct commissions on similar lines to students of Indian Universities.

(xxxi) Indian cadets who are commissioned from the Indian military college should be attached to a cavalry or infantry unit in the United Kingdom for a period of one year.

(xxxii) Indian cadets who qualify at Woolwich, and, later, those who qualify in India by the course corresponding to that of Woolwich, should complete their initial training in exactly the same way as the British cadet does at present, i.e., by attending courses at Chatham and Cambridge in the case of Engineer officers and at Larkhill in the case of Artillery officers.

(xxxiii) The "eight units scheme" should be abandoned, and Indian King's Commissioned officers should be eligible to be posted to any Indian unit of the Indian Army.

(xxxiv) There should be no change in the present rates of pay and allowances, including marriage allowances. Incidentally, married students should not be allowed at the Dehra Dun College, or married cadets at Sandhurst or the Indian military college.

(xxxv) A certain number of vacancies at the Indian military college over and above the number of vacancies available for candidates seeking

commissions in the regular Indian Army should be reserved for Indian States which wish to avail themselves of the benefits of the training available at the college for the purpose of giving higher training to some of the officers of their State Forces.

The details of the suggested scheme of Indianisation of the Indian Army are shown in tabular form in the statement appended. The following notes are explanatory of the statement.

1. The normal strength of the cadre of officers of the Indian Army (Cavalry and Infantry units) has been taken as 3,300. The annual wastage in that cadre has, it is understood, never been actuarially calculated, and it has been assumed to be 160, the only figure of authority supplied to the Committee.

2. It is proposed that an increase of 10 vacancies at Sandhurst should be sanctioned immediately. An interval must be allowed in which to advertise the extra vacancies, etc. To permit of an increase in May, 1928 the additional cadets would have to be ready to pass the examination held in September, 1927, and would have to commence their special preparation for the examination at least six months before that. It is therefore postulated that there would be no increase of actual entrants until the September term of 1928, when 10 cadets instead of 5 should be admitted to Sandhurst, the examination for admission having been held in May, 1928.

3. In 1929 and in successive years, up to and including the year in which the proposed Indian military college is opened (vide note 4 following) it is proposed that there should be an increase of 4 each year, as a temporary measure, in the number of vacancies allotted to Indians at Sandhurst.

4. In 1933, a military college on the lines of Sandhurst should be opened in India. The capacity of the college should in the first instance be 100 cadets, and the course of training three years. A batch of 33 cadets should join the college in 1933 and in each of the two succeeding years.

5. After the opening of the Indian Military College, the number of vacancies allotted annually to Indians at Sandhurst can be reduced to the former figure of 20. Any vacancies at Sandhurst not actually taken up by Indians should be added to the establishment of the Indian Military College.

6. In 1936, the first cadets trained at the Indian Military College receive their commissions.

7. In 1936, the annual intake at the Indian Military College is increased by 12, this making a total of 45 Indian cadets sent for training, exclusive of the 20 Indian cadets sent to Sandhurst.

8. In 1939 and at intervals of 3 years thereafter, the annual intake at the Indian Military College is further increased, on each occasion by 12. In 1942, the intake rises to 69, giving, with the 20 Indian cadets sent for training at Sandhurst, a total of 89 Indian cadets to be commissioned.

9. In 1944, the senior Indian King's Commissioned officers now in the Army will be due to be considered for command of regiments. After this stage is passed and, it is assumed, passed successfully, the number of commissions granted to Indians rises above 50 per cent. of the total annual recruitment to the Indian Army.

10. In 1962, more than 50 per cent. of the total officer cadre of the Indian Army consists of Indians.

11. The above figures are subject to a percentage correction on account of inevitable wastage and failure. This cannot be calculated precisely and for the present purpose it is not necessary to attempt to do so.

THE INDIAN SANDHURST COMMITTEE

Government of India's Communique..

The Government of India in issuing the report say in a Press communique:—The Government of India consider it necessary to emphasise that neither they nor His Majesty's Government have yet formed their conclusions on it, and that those conclusions must necessarily take account of certain factors, of which it was not within the province of the Committee to undertake a complete survey. For example, although the Committee's recommendations in themselves are designed primarily with a view to Indian conditions, the problems of recruitment and training of King's Commissioned officers for whatever service are essentially an Imperial concern, and any proposals reacting on them will require close scrutiny by His Majesty's Government and their military advisors. Again, the Government when called upon to deal with any scheme of increasing Indianisation, extending over a number of years, must leave themselves free to consider whether the basis of that scheme offers a sure, stable line of advance towards the creation of a Dominion Army or whether alternative methods, which did not fall within the Committee's terms of reference, might not more profitably be explored. The Committee's report will thus be used as a starting point for discussions with His Majesty's Government to whom the Government of India will in due course forward their considered views on it.

The Committee hold that the present system of recruitment of Indians to King's Commissioned ranks has failed and quote the opinion of Sir Malcolm Hailey and Sir Prabashanker Pattani that from a national as well as a wider point of view, both Imperial and Asiatic, it is imperative to secure the best possible material for the Indian officers of the army. Hitherto no acceleration in Indianisation had taken place and various causes contributed to the paucity of candidates. These causes are examined and remedies are suggested. The 8-unit scheme is held not only to conflict with the principle of co-operation between Indians and British in every other sphere of administration, but the test formulated is considered to be unfair and too severe upon the first generation of Indian officers, who had already other disadvantages to overcome. Both for psychological and practical reasons the continuance of the scheme can, in the Committee's opinion, only conduce to failure and its abandonment is recommended. The scope of employment of Indians in higher ranks in the army in India should be greatly extended and facilities provided in India to train them for King's Commissioned ranks. A substantial and progressive scheme of Indianisation should be adopted and, subject to the present standard of efficiency being maintained, should be faithfully carried out.

Such a scheme should provide for the following measures:—In 1928 the number of vacancies, at present ten, allotted to Indians be doubled and thereafter increased progressively by four a year until a military college on the lines of Sandhurst is established in India in 1933, the interval being used for raising the necessary buildings and arranging staff, etc. The Committee has adopted Sandhurst as their model in preference to the Canadian or American system, for the reason that India being in need of a large standing army must follow the standard of military efficiency at Sandhurst, but in order to make up for academic deficiency, it is laid down that there be a three years course, of which the first year be devoted mainly to academic study and the last two mainly to military training through instruc-

tors who should be mainly British. The Indian Sandhurst should at the start have an establishment of 100 cadets doing a three years course, the establishment of the college to be increased progressively.

The Committee recommend, that in order to maintain the Imperial connection in military matters, 30 vacancies should continue to be reserved for Indians at Sandhurst. After the opening of the Military College in India, the advantages of this course are held to outweigh the fear that those Indians trained at the British college might look down on those trained in India. It is pointed out, in this connection, that British military institutions did not concede admission above 5 per cent of their recruitment to Indians. This meant that India must have her own institutions. The Committee recommend that successful cadets from the Indian Sandhurst be granted King's Commissions in His Majesty's land forces. They attach great importance to this and mention the instance of the Canadian Dominion Commission being recently admitted as equivalent to the King's Commission.

As regards the other wings of the Army, the Committee urge that Indians be made eligible for employment as King's Commissioned officers in the Artillery, Engineer, Signal, Tank and Air arms, provided they qualify by the same tests as British boys. From 1923 eight vacancies be allotted to Indians at Woolwich and two at Cranwell, to be increased progressively in due proportion. It may be desirable later to provide the facilities of Woolwich at the Indian Sandhurst. The Committee however to ensure the best efficiency recommend that cadets commissioned from the Indian Sandhurst be attached to a Cavalry or Infantry unit in the United Kingdom for a year and in the case of the establishment of a Woolwich in India Indian cadets would attend the courses at Chatham and Cambridge and at Larkhill reciprocally.

It is recommended that the door of Indian institutions should be open to Britishers who might like to enter them under the proposed scheme of Indianisation. The Committee compute that half the total cadre of officers in the Indian Army would be Indian in 1952. Opinion on this point was not unanimous as Mr. Jinnah, Mr. Ramachandra Rao and Major Zorawar Singh wanted this 50 per cent Indianisation to be attained in 15 years and Sir Pheroze Sethna and Major Daffie wanted it to be reached in 20 years. The Committee however make no recommendation as to what the ratio of Indian and British recruitment should be after the 50 per centage is reached. The Committee assume generally employment in India of a quota of British troops and acknowledge that the progress of the scheme must be contingent upon success being secured at every stage, and upon military efficiency being maintained throughout. The phenomena of falling off in British recruitment as a result of Indianisation were liable to occur and the Committee, recognising the value to India for the success of the Indianisation policy itself of a continued supply of British officers of the same high quality as have served India in the past, regard it as specially important to maintain the proportion of British recruitment required.

The Committee accept the view of Sir Malcolm Hailey that within reason questions of finance should not be allowed to stand in the way of giving effect to their proposals. They make a large number of subsidiary recommendations. The Dehra Dun College should continue to expand up to about 300 cadets, with the object of producing boys for the Army, and Navy. When its expansion is complete, another college on the same lines

may be opened in some other place. The Government of India should impress on the educational authorities the paramount national importance of reforming the system of education to develop the essential characteristics of an army officer. The present age limit is not to be changed, the ultimate aim being to reduce it to the British standard. Publicity should be pushed with the aid of the University authorities and the Provincial information bureaux. The method of selection should be through competitive tests, conducted by a single central authority at the Headquarters of the Government of India. No preference should be given to any particular class or community, but the Commander-in-Chief should have the same powers as the Army Council has of nominating candidates not exceeding 20 per cent from among those who qualify but do not stand sufficiently high in order of merit. Viceroy's Commissioned Officers, satisfying certain conditions, shall be admitted to the Sandhurst in limited numbers for two years. Military training and special educational facilities shall be provided to the children of Viceroy's Commissioned Officers to have practical chance through the Viceroy's Commissions of rising to King's Commissions. The Committee do not think that the time is ripe for grant of direct commissions to students of Indian universities; but officers' training corps at British universities and suitable students among them shall be granted direct commissions in the Army. The fees to be charged at Sandhurst should be within the means of upper and middle class parents. Twenty per cent Government scholarships and endowment of scholarships by private generosity are recommended. The Committee further propose that there should be no change in the present rates of pay and allowances, including marriage allowances, and that married students and cadets be barred from entering Dehra Dun College or either of the two Sandhursts.

Dealing with the case of Indian States the Committee recommend that a certain number of vacancies at the Indian Sandhurst should be reserved for Indian States wishing at their own expense to send for higher training officers of their State forces. This would be to the advantage of India as a whole, tending to increase the efficiency of the Indian State Forces.

The Committee lay particular emphasis on the qualification of guardians of Indian cadets at British Sandhurst.

Of four appendices to the report one embodies the scheme of Indianisation in a tabular form and the other reproduces extracts from a lecture at Sandhurst, which the Committee are definitely of opinion contains certain passages open to the interpretation that the eight-unit scheme was devised so that no British boy would be liable to serve under the command of an Indian. The Committee do not believe this to be the intention of the Government. The Committee finally refer to the personal knowledge and practical experience of most of its members, which have been of great and special value, and express special, cordial and respectful appreciation of the service of General Skeen, whose ripe experience, breadth of mind, sympathetic outlook and patience, courtesy and skill in conducting the proceedings made their task pleasant and facilitated its accomplishment. Tribute is also paid to the work of Mr. Burdon, the only other official member of the Committee and of their Secretary, Major Lumby.

Currency Commission's Recommendations

The Three Government Bills.

On the 16th January the Government of India published in a "Gazette Extraordinary" the text of the three important bills embodying the Currency Commission's recommendations. These are (1) a bill to establish a gold standard currency for British India and constitute a Reserve Bank of India, (2) a bill further to amend the Imperial Bank Act 1920 for certain purposes and (3) a bill to amend the Coinage Act 1906 and the Paper Currency Act 1925 for certain purposes and to lay upon the Government certain obligations in regard to the purchase of gold and the sale of gold exchange.

The Currency and Coinage Act Amendment.—The last bill aims at the immediate stabilisation of the rupee in relation to gold purposes at the rate of 1s. 6d. that is the rate of one rupee for 8.47512 grains gold, and at the same time removes the legal tender quality of the sovereign and half-sovereign in accordance with the Commission's recommendations for their demonetisation in order to enable a real gold bullion standard to be established. In order, however, to enable small holders of these coins to convert them into legal tender money, it is proposed to provide for receipt of these coins in any quantities at their bullion value at the proposed rate the Commission recommended. The Reserve Bank takes over the note issue and there should be a statutory obligation on the Government to buy and sell gold on gold exchange at its option at the gold points of accepted gold parity of the rupee; but as during the transitory period the Government would be engaged in building up gold holding in reserve they would not exercise the option to give gold. Clauses 4 and 5 of this bill are designed to give effect to the recommendation as modified above. In other respects the bill is substantially the same in its purposes as the bill introduced in August last.

The Reserve Bank.—The bill to establish a gold standard currency and to constitute a Reserve Bank occupies 15 pages of printed foolscap. It is proposed to give the Reserve Bank the sole right of note issue for 25 years in the first instance subject to renewal. The capital of the Bank should be five crores fully paid-up and Imperial Bank's shareholders would be given the first opportunity of subscribing therefor, but as it is undesirable to give shareholders of the Imperial Bank, a preponderating voice in deciding the currency policy of the Reserve Bank, it is proposed by Clause 4 to give the Imperial Bank as an institution, and not to its individual shareholders, the option of subscribing 30 per cent of the capital. The Central Board of the Imperial Bank has expressed willingness in principle in view of the other terms proposed to be given to the Bank, to recommend this proposal for the acceptance of shareholders. The Head Office of the Reserve Bank will be in Bombay. The proposal of its having local boards in Bombay, Madras and Calcutta in order to send representatives who would constitute the Central Board is held undesirable and so shareholders as a body would elect 9

Directors who are not appointed by the Government. Others who will compose the Board will be a Governor and a Deputy Governor appointed by the Government for 5 years and three Directors nominated by the Government to represent Commerce, Industry and Agriculture, besides an Officer appointed by the Government. The Bill empowers the Reserve Bank to receive deposit from private persons provided no interest is paid. It also authorises the Bank for 5 years to advance money against Promissory notes of scheduled Banks and thereby help in financing industry and movement of crops. The Bank is allowed to issue notes of Government for a year from the date on which it takes over the control of currency and freedom is retained to postpone the issue of one rupee notes for a time, if such postponement appears desirable.

With reference to the size of holding of silver rupees in reserve, the bill provides for transfer to the Bank of assets of such a nature as to enable the Bank to constitute a reserve in accordance with the requirements of the Act, and in order to give the new Bank necessary margin over the minimum requirements, it is proposed to include in assets transferred gold, and gold securities equal to one half of the liabilities of the issue department. Clause 35 of the Bill gives effect to the recommendation regarding the sale of gold by the Bank and this obligation will take effect from such date not later than 1st January 1931 as Government may appoint. The Bank shall not be placed in voluntary or compulsory liquidation without the sanction of the Government and in such manner as the Government might direct. In such an event the Reserve Fund and surplus asset, if any, of the Bank will be divided between the Government and shareholders in the proportion of 60 and 40 per cent respectively. The obligations imposed on the Government by the Currency Bill to receive sovereigns and half-sovereigns from public at their bullion value, will be taken over by the Reserve Bank simultaneously with the transfer of conduct of note issue to it.

Clear cut division of functions between the Reserve Bank and the Imperial Bank is the essence of the proposal creating the Reserve Bank. The bill embodies several other recommendations of the Commission in this respect. The Imperial Bank would be the sole Agent of the Reserve Bank at all places where there is a branch of the Imperial Bank and no Branch of the Reserve Bank. The proposed terms between the two Banks will involve no fresh charge on the taxpayer. They are designed to remunerate the Imperial Bank for agency work done for the Reserve Bank and loss in respect of non-paying branches and to encourage further extension of banking in India.

Imperial Bank Act Amendment.—The Bill amending the Imperial Bank Act 1920 is brief. It is rendered necessary by the transfer to the Reserve Bank to face the Imperial Bank from restrictions which on account of its hybrid nature are at present imposed on it. The Imperial Bank is authorised by the bill to enter into agreement with the Reserve Bank to conduct Government business as the agent of the Reserve Bank. It is proposed to remove the limitation now imposed on business which the Imperial Bank may transact at its London Office and to give specific power to the Bank to open branches outside India in London and elsewhere. It is also proposed to give the Bank extended powers in regard to its internal business and to remove restrictions on foreign exchange business which the Bank may transact. Several minor consequential amendments are also notified

Statement of Objects and Reasons.

1. — THE RESERVE BANK.

The following is the statement of the objects and reasons for the bill to establish gold standard currency for British India and constitute a Reserve Bank of India. The statement runs: The object of this Bill is to give effect to the recommendations of the Royal Commission on Indian Currency and Finance for the establishment of a gold standard for India and for constituting a Reserve Bank of India to control the working of that standard.

The various clauses of the Bill are briefly explained below:—

Clause 1:—It is proposed to give the bank sole right of note issue for a period of twenty-five years in the first instance subject to renewal as recommended in paragraph 141 of the Commission's report. The provision that the Act shall come into force not later than 1st January 1929 is based upon time table recommended by the Commission in 165 of the report.

Clause 3:—The name "The Reserve Bank of India" is that suggested in paragraph 92 of the report.

Clause 4:—The Commission recommended that the capital of the Bank should be rupees five crores fully paid up and that the Imperial Bank shareholders should be given the first opportunity of subscribing for capital stock of the bank as consideration for foregoing important privileges which the Imperial Bank now enjoys. A clear-cut division of functions between the Reserve Bank of India and the Imperial Bank of India is the essence of the proposal creating a Reserve Bank and, if avoidable, it is undesirable to give the shareholders of the Imperial Bank of India a preponderant voice in deciding the currency policy of the Reserve Bank. It is, therefore, proposed in this clause to give the Imperial Bank of India as an institution and not to its individual shareholders, the option of subscribing thirty per cent. of the capital. It will be open to the Imperial Bank of India to distribute the allotment among its shareholders if it so desires. The Central Board of Imperial Bank of India has expressed its willingness in principle in view of the other terms proposed to be given to the Imperial Bank to recommend this proposal for the acceptance of shareholders. It is necessary that the Government should be prepared to take up any unallotted shares, but it is not desirable that these should continue to be held permanently by them. It is, therefore, proposed that the Governor-General in Council should dispose of any unallotted shares taken up by him within three years.

Clause 5:—This is based on paragraph 101 of the Commission's report. It is necessary to make provision for the contingency of a reduction of the share capital in regard to which the Commission have made no recommendation. Clause 6:—The head office of the bank will be located in Bombay as recommended by the Commission in para 97 of the report. Clause 8:—This gives effect to the recommendations in paragraph 95 and 96 of the report. Clause 9:—This is based on paragraph 94 of the Commission's report. The Commission recommended therein that the Reserve Bank should have local board in Bombay, Madras and Calcutta and that representatives from these boards should constitute a majority on the Central Board. It is considered undesirable for various reasons to base the constitution of the Central Board on a system of local boards. If local boards are dispensed

with, it is necessary that share-holders as a body should elect those directors who are not appointed by the Government. As regards nominated directors, it is considered desirable in order that all interests may be represented, that the three directors nominated by the Government should represent Commerce, Industry and Agriculture respectively. The term of office of nominated directors is proposed by the Commission to be fixed at one year which is too short to conduce to efficient work. It is, therefore, proposed to extend it to three years.

Clause 10 :— It is provided in this clause that the Governor, Deputy Governor or any nominated director may be removed by Governor-General in Council if a resolution to that effect is passed by a majority of the board consisting of not less than nine directors, that is by a substantial majority of the Board. Provision for the removal of elected directors follows the lines of a similar provision in the Imperial Bank of India Act. It seems undesirable that elected directors should be removable by a bare majority at a general meeting. Clause 11 :— As there may be no local board at Calcutta, it is desirable to provide that the Central Board shall meet in Calcutta at least once in every four months. Clause 12 :— This gives effect to the recommendations in paragraph 98 of the Commission's Report. Clause 13 :— This is based upon a similar provision in section 30 of the Imperial Bank of India Act. It is necessary to make special provision for the formation of the first board.

Clause 14 and 16 :— These embody proposal in schedule 2 to the report defining the functions and capacities of the bank. The Commission have not provided for the Reserve Bank receiving non-interest bearing deposits from private persons. It is considered that like most other central banks in the world, the Reserve Bank of India should also be allowed to receive deposits from private persons provided no interest is paid. Financing of industry and movement of crops in India is carried on by cash credits and as the provision recommended by the Commission stands, it will be difficult for the Reserve Bank to assist other banks in providing the necessary credit without some considerable changes in banking methods. It is, therefore, proposed in sub-clause 4 (e) that for a period of five years, the bank should be authorised to advance money against promissory notes of scheduled banks under certain conditions. It is considered undesirable to limit the amount of securities held at any time in the banking department to so low a figure as 25 per cent of the liabilities as recommended by the Commission in clause 3 (d) of schedule 2 of their report as in view of the very fluctuating nature of deposits, limitation might force the sale of securities merely to bring the bank within the provisions of its character for a few days. The Commission recommended in clause 7 (a) of schedule 2 of the report that the paid-up capital and reserve may be securities of the Government of India having not more than five years to run in view of the fact that the Government of the India are now finding their short term loans into long term loans. The limitation of maturity to five years might unduly restrict the power of the bank to invest in such securities after a few years. It is therefore proposed to modify the provision so as to permit of investment in Government of India securities of any maturity.

Clause 15.— This gives effect to the recommendations in paragraph 102 of the report regarding operations in the open market.

Clause 17 and 18.— These give effect to the recommendations in paragraph 140 of the report regarding the relations of the bank with the Govt.

Clause 19:— This gives effect to the recommendations in paragraph 141 of the report. The Commission recommend that the right of note issue should be transferred to the bank as soon as the bank was in a position to issue its own notes. It is not desirable to postpone early functioning of the bank till it is able to arrange for manufacture and issue of its own notes and it is, therefore, proposed to allow the bank to issue notes of the Government of India for a year from the date on which the bank takes over the control of the currency.

Clause 20.—This gives effect to recommendations in 143 of the report regarding the separation of the banking and issue departments of the bank.

Clause 21.—This gives effect to the recommendations in paragraph 142 of the report. Freedom is retained to postpone the issue of one-rupee notes for a time if such postponement appears desirable with reference to size of the holding of silver rupees in the reserve.

Clause 22.—This gives effect to the recommendations in paragraph 155 of the report regarding the form and material of bank notes.

Clause 23.—This is based upon the recommendations in paragraph 149 of the report. The notes of the bank shall be legal tender for payment of any amount and shall be guaranteed by the Government of India. The Commission recommend in paragraph 141 of the report that not later than 5 years from the date of the bank charter becoming operative the Government of India notes still outstanding should cease to be legal tender except at Government Treasuries. By the end of 5 years very few Government of India notes will remain outstanding and it is undesirable to take away the legal tender character of the note in the absence of any very definite advantage to be gained by so doing. It is however, proposed to take power from the Governor-General in Council and the bank to call in notes of particular series if necessity arises.

Clause 24.— This is based on paragraph 155 of the Commission's report regarding re-issue of bank notes. Clause 25.—This is based upon a similar provision in the Indian Paper Currency Act and is necessary to protect the Bank against civil action in respect of notes lost, stolen, mutilated or imperfect. Clause 26 and 27.—These are based upon a similar provision in the Indian Paper Currency Act.

Clause 28.—This gives effect to the recommendations in para 145 of the Commission's report regarding the constitution of reserve.

Clause 29.—This gives effect to the recommendations in para 146 of the Commission's report defining liabilities of the issue department. Provision in sub-clause (2) of this clause is similar to that in proviso to sub-section (6) of section 18 of the Indian Paper Currency Act although it differs in detail. Under the Indian Paper Currency Act notes of denominational value exceeding rupees one hundred cannot be deemed to be not in circulation until 100 years after the date of issue, whereas notes of lower denominations are so deemed after 40 years. This distinction between the higher and lower denominations of notes is undesirable. In practice notes of higher denominations are much less likely to be outstanding for a very long period than notes of lower denomination and the practice at the Bank of England is to treat all notes as not in circulation after 40 years. It is considered that the Reserve Bank might with advantage follow the practice of the Bank of England.

Clause 30.—This is based upon para 144 of the report. The Commission recommend that coin and bullion and securities to be transferred to the issue department should be specified in a schedule. The amount of notes in circulation at the time of the inauguration of the bank will not be known. When the Bill is introduced and passed and also between the dates of the introduction of the Bill and its passing into law and the inauguration of the bank, there will be changes in the constitution of the reserve held against note issue. It is, therefore, proposed to provide for transfer to the bank of assets of such a nature as to enable the bank to constitute the reserve in accordance with the requirements laid down in the Act. In order to give the new bank the necessary margin over minimum requirements, it is proposed to include in the assets transferred gold and gold securities equal to one-half of the liabilities of the issue department as suggested in clause 3 (a) of schedule 3 to the report.

Clause 31.—This gives effect to the recommendations in para 147 of the report regarding the disposal of surplus rupees by the bank.

Clause 32.—This gives effect to the recommendations in paragraph 147 of the report. As it would be uneconomical to coin new rupees until the stock of silver rupees in the reserve is reduced to the minimum of 25 crores or one-tenth of the total amount of the reserve whichever is greater. It is proposed to limit the right of the bank to demand delivery of rupee coin from the Government.

Clause 33.—This gives effect to the recommendations in paragraph 148 of the report regarding mutual obligations of the Government and the bank in regard to rupee coin.

Clause 34.—This gives effect to recommendations in 152 of the report.

Clause 35.—This gives effect to the recommendations in paragraph 150 of the report regarding the sale of gold by the bank.

Clause 36.—Provision in sub-clause (1) regarding the latest date on which obligation to sell gold should come into force is based upon the recommendation of the Commission in paragraph 165 of the report.

Clause 36.—This gives effect to the recommendation in 166 of the report. The Commission recommend that during the transition period, the Reserve Bank shall be under an obligation to sell gold or gold exchange at its option as the Bank will be engaged in building up its gold holding in order to be in a position to undertake the definite obligation to sell gold later. It is proposed to omit option to sell gold during the interim period.

Clause 37.—This gives effect to the recommendations in paragraph 151 and 166 of the Commission's report. Clause 38.—This gives effect to the recommendations in paragraph 153 of the report regarding the suspension of reserve requirements. Clause 39.—This gives effect to the recommendations in paragraph 154 of the report regarding the exemption of the bank from the payment of any tax or duty upon its note issue.

Clause 40.—Provisions in this clause are in accordance with the recommendations in para 149 of the report. The Commission recommend that the Governor-General in Council should have the right to take over the assets of the issue department so far as they are required to meet the liability of note or of rupee redemption. It is proposed to give the Governor-General in Council the right to take over asset not only of the issue department but of the banking department as well, as in theory such a necessity might arise if the bank failed to keep sufficient assets in the

issue department. A provision is also made for carrying on of note issue in such circumstances by some other agency determined by the Governor-General in Council.

Clause 41.—This gives effect to the recommendations in para 161 of the Commission's report with slight modifications. The percentages for minimum reserve balances recommended by the Commission appear somewhat high now in India. It is, therefore, proposed to reduce these percentages to 7 and a half and 3 and a half per cent of demand and time liabilities respectively. The definition of bank or banker suggested in para 167 of the Commission's report is imperfect but it is difficult to arrive at any satisfactory definition. It is thereupon proposed to exhibit in a schedule attached to the Bill the banks to which the provisions in this clause should apply in the first instance and to give the Governor-General in Council the power to make alterations in the schedule later. As the monthly return will show only the position at the close of the month to which it relates, it is necessary to provide for the receipt of the information mentioned in sub-clause (3) of the clause. It is also necessary that the provision should be made to enable the Government to take action not only on the monthly return submitted by the Bank but also on any report received from the Board of Reserve Bank.

Clause 42 :—This follows the intention of para 87 of the report. Clause 43 :—This is based upon the recommendations in para 100 of the Commission's report. It is considered unnecessary to build up the reserved fund as quickly as the Commission suggest and a lower rate of accumulation has, therefore, been proposed. Clause 44 :—This gives effect to the recommendations in para 158 of the Commission's report. Clause 45 to 47 :—These give effect to the recommendation in para 157 of the report. Clause 49 :—It is necessary to make provision for the contingency of the liquidation of the bank and the distribution of the reserve fund and surplus assets, if any, of the bank.

Clause 50 :—This is based upon the recommendations in para 161 of the report. The Commission proposed that the Governor-General in Council should be given absolute power to make regulations. It is thought preferable that the regulations should be made by the Board with the previous approval of the Governor-General in Council, local boards are not to be constituted on the creation of the Reserve Bank. It is proposed in sub-clause (2) (E) to give power to the Reserve Bank to establish such local boards, if considered necessary, later on and to delegate to them such powers and functions as may be desirable.

Clause 51 :—The obligations proposed to be imposed on the Government by the Currency Bill to receive sovereigns and half sovereigns from the public their bullion value will be taken over by the Bank simultaneously with the transfer of the conduct of the note issue to it.

The second schedule.—The provisions contained in this schedule have been accepted by the Central Board of the Imperial Bank of India and will be placed before the shareholders of the Imperial Bank. The proposed terms will involve no fresh charge on the tax-payer. They are designed to remunerate the Imperial Bank of India for the agency work done for the Reserve Bank and the loss in respect of non-paying branches and to encourage the further extension of Banking in India.

2. Amendment to the Imperial Bank Act.

The following is the statement of objects and reasons for the bill to amend the Imperial Bank Act. The statement runs: The Royal Commission on Indian Currency and Finance have recommended that with the transfer to the Reserve Bank of India of the purely central banking functions which are at present performed by the Imperial Bank of India the latter should be freed from the restrictions which, on account of its hybrid nature, are at present imposed upon that bank. This Bill intended to remove some of those restrictions and to modify the control of Government over the operations of the bank. The amendments to Imperial Bank of India Act proposed in this Bill have been accepted by the Central Board of the Bank subject to any further modifications deemed necessary later on in the light of further consideration. The more important provisions of the Bill are as follows:

It is proposed to replace section 10 of the Imperial Bank of India Act by another authorising the bank to enter into an agreement with Reserve Bank of India to conduct Government business as the agent of the Reserve Bank. It is proposed to remove the limitation imposed by section 9 on the business which the Bank may transact at its London office and to give specific powers to the Bank to open branches outside India in London and elsewhere. It is also proposed to give the bank extended powers in regard to its internal business and to remove the restrictions on foreign exchange business which the Bank may transact. At present the Controller of Currency is an ex-officio member of the Central Board of the Bank and the Governor-General-in-Council nominates 4 other members to the Board under section 29 of the Imperial Bank of India Act. Although the Imperial Bank of India will transact Government business as the agent of the Reserve Bank, it will have no direct connection with the Government and it seems unnecessary for the Government to retain any measure of control over the operations of the Bank by the appointment of members to the Board. It is, therefore, proposed to remove the right of the Governor-General in Council to appoint such members. The Governor-General-in-Council is now entitled under regulation 54 of Imperial Bank of India Act to require of the Central Board of the Bank any information touching the affairs of the Bank and the production of any documents of the Bank and he may also require the publication of such statements of its assets and liabilities in such form and at such intervals as he thinks fit. It is proposed to remove this power from the Governor-General-in-Council but in order that he may be in a position to examine the affairs of the Bank in case of necessity, the provision by which he may appoint auditors under regulation 59 to examine and report upon the accounts of the Bank is proposed to be retained.

A number of minor amendments incidental to the above are also made and opportunity has been taken to introduce some small changes in the Act in sections which have been found difficult to work in practice.

3. Amendment of Currency and Coinage Acts.

The following is the text of the statement of objects and reasons for the Bill to amend the Currency and Coinage Acts. The object of this

BILL is to give effect to those recommendations of the Royal Commission on Indian Currency and Finance which relate to the immediate stabilisation of the Rupee in relation to gold and to interim measures required during the transition period pending the bringing into operation of their proposals for the transfer to a Reserve Bank of India of control of note issue and other functions at present performed by the Secretary of State and by the Government of India. The Commission recommend in paragraph 175 of their report that the rupee should be stabilised in relation to gold at a rate corresponding to an exchange rate of 1s. 6d. gold for the rupee, that is, at the rate of one rupee of 8.47512 grains of gold. Clause 2 and all but the last portion of sub-clause (a) (1) of clause 3 are designed to give effect to this recommendation and at the same time to remove legal tender quality of the sovereign and the half-sovereign which are at the present legal tender at the rate of 2s. for the rupee in accordance with the Commission's recommendation in paragraph 66 of their report that these gold coins must be demonetised in order to enable a real gold bullion standard to be established. In order, however, to enable the small holders of these coins to convert them into legal tender money, it is proposed to provide for receipt of these coins in any quantities at their bullion value at the rate of 8.47512 grains of gold per rupee. The Commission recommend in paragraph 166 of their report that until the Reserve Bank of India takes over the control of note issue, the Government of India must be under a statutory obligation to buy gold and to sell gold or gold exchange at its option at gold points of accepted gold parity of the rupee during the transitory period, the Government of India would be engaged in building up gold holding in the reserve and would not, therefore, exercise its option to give gold. Clauses 4 and 5 are designed to give effect to this recommendation as modified above.

Opportunity has been taken to amplify the explanation to sub-section (3) of section 19 of the Indian Paper Currency Act 1923, which contains the temporary provisions so as to provide for the valuation of gold bullion held in the Paper Currency Reserve on the lines of clause (a) of sub-section (b) of section 18 which refers to the permanent provisions which have not yet come into force. For it was announced in a press communique dated August 4th 1926 which accompanied the issue of the Commission's report that pending legislation, the Government would take such steps as may be necessary to confine the movements of exchange within the approximate upper and lower gold points as calculated on the basis of a 1s. 6d. rupee, namely 1s. 6-3/6d. and 1s. 5-3/6d. respectively and the Government undertook in the same communique to lay the proposals before the legislature during the next session in order to give the legislature the earliest possible opportunity of considering the matter. The Bill designed to give effect to that undertaking was accordingly placed before the legislature in August last. Further consideration of the Bill was postponed and the Bill automatically lapsed on the dissolution of the last Assembly. The present Bill is substantially the same in its purposes as the Bill introduced in August last, but opportunity has been taken to effect certain improvements in the drafting.

The Backbay Reclamation Report.

The Bombay Back Bay Reclamation report was issued on the 17th January 1927. It apportions blame in respect of the difficulties in which the scheme is involved and makes recommendations regarding future operations. The report is unanimous and is signed by Sir Grimwood Mears, Chairman, Sir M. Visvesvarayya, Sir F. Hopkinson and Mr. S. B. Billimoria.

Reasons for Failure.

The Committee say :—" The object of the Back Bay Reclamation Scheme was to reclaim from the sea an area of 1,145 acres at an estimated outlay of about Rs. 367 lakhs. The Government were prepared to spend on the scheme up to Rs. 400 lakhs, if necessary. A revised estimate for Rs. 702 lakhs was approved within two years of original sanction and, if the scheme is to be completed, a second estimate will be necessary. The total cost will approximate to about Rs. 900 lakhs gross exclusive of interest charges. This total sum will be reduced by Rs. 256 lakhs to be received from Military authorities and any other subsequent receipts from sales of land. The programme of reclamation which was to have been completed by 1926-27 has completely broken down. If it is continued under present conditions, it cannot be finished for many years to come. It is believed that land reclaimed cannot in the near future be sold at remunerative prices and care should be exercised not to reclaim land in advance of demand. The work is being constructed from public loans on which interest and sinking fund charges have to be met and Government are faced with a growing debt. The difficulties in which the scheme is at present involved arise from (1) unsatisfactory character of the estimates, (2) defective organisation, (3) failure of dredging operations and (4) fall in land values. Defects in various estimates would have been avoided if there had been sufficient and careful preliminary investigation. If an alternative comparative estimate for dry filling had been prepared at the outset and the cost of adequate dredging plant properly investigated the Government might have hesitated to commit themselves to the use of suction dredgers for this scheme. A dredging scheme costing Rs. 400 lakhs was an attractive financial proposition but it might very well be considered to have changed its character when the cost went up to Rs. 702 lakhs. Reclamation by dry filling, if then practicable, might have proved cheaper.

As regards organisation and arrangements made for the conduct of the scheme, these in themselves were almost unworkable. A reading of clause 3 of the agreement between the Secretary of State in Council and the firm of Mott and Buchanan shows that responsibility was not clearly defined between the engineers and the Director of Development. Much of the technical work was left to an overworked Chief Engineer or was not done at all; there was no costing system without which it was impossible properly to control expenditure. Because no body believed himself responsible for the due execution of the work, unwise decisions were taken and mistakes made such, for instance, as commencing the construction of the sea wall from both ends, delay in sealing rubble mound, undertaking dredging operations

in Back Bay without consideration of the cost, absence of preconcerted programmes to regulate operations, etc. All this militated against the success of the scheme and added to its cost. Inability of the dredger to give the required output has been the chief cause of failure and has had a disastrous effect on the financial prospects of the scheme. The principal reason for the present serious position of the scheme was the ordering of the dredger on estimates and specifications put forward by Messrs. Simons and Company and acceptance of a quotation for a dredging plant without any real effort to secure competitive tenders. The work having been undertaken in anticipation of realising large profits, the scheme was subjected to very great criticism when a period of acute trade depression set in with a consequent fall in land values. Trade depression was not a matter which could have been foreseen although caution was necessary in undertaking a scheme of this magnitude at a time when world conditions were unstable. With the disappearance of the prospect of profits, public criticism concentrated on the defects of the scheme."

Lord Lloyd's and Sir George Buchanan.

The Committee, discussing the present aspect of the case, pass strictures on the part played by persons in authority. Dealing first with Lord Lloyd, the Committee observe: "Lord Lloyd left England charged by Mr. Montagu to take urgent steps to improve the housing conditions of Bombay. Whilst that did necessarily imply the undertaking of a reclamation scheme, reclamation had nevertheless been considered for many years to be an integral part of any comprehensive scheme for the betterment of conditions. We are satisfied from the evidence that Mr. Montagu was deeply interested in reclamation and wished it to be carried through. We think that Lord Lloyd and the Government of Bombay were justified in accepting Sir George Buchanan as an expert to report on Mr. Kidd's scheme and that, having taken the man recommended by the Government of India, the proper and prudent course was to treat his opinion as final and authoritative. Lord Lloyd's letter of 25th May 1919 shows conclusively that he had no predilection for a reclamation scheme and that he was prepared to abandon it at once had Sir George Buchanan reported adversely on it. Though we are aware that a Governor must necessarily rely upon his advisers for the details of any particular scheme, yet having regard to the personal interest displayed by Lord Lloyd as disclosed by his evidence and that of Sir George Buchanan, we are surprised that his acute intelligence overlooked the apparent inadequacy of Sir George Buchanan's figures even though he held the belief that the 1912 figures of Mr. Kidd were to some extent inflated. In his report, Sir George Buchanan himself gave Rs. 241,90 lakhs as the figure which he would have estimated in 1912 and, on that basis, the work could not have been done by him in 1919 for less than Rs. 605 lakhs. To a lesser extent we are surprised that Lord Lloyd, when reading Sir George Buchanan's report, did not notice that Sir George Buchanan described the clay as hard whilst Messrs. Simons and Company were putting forward an offer for a soft clay dredger. We do not agree with Lord Lloyd that this was a technical point. The explanation may be a technical one, but discovery of the apparent contradiction between the character of clay as described by Sir George Buchanan and Messrs. Simons and Company needed no technical knowledge. It stood out on the document and was, unless satisfactorily explained, a contradiction in terms. We are satisfied that

Lord Lloyd acted throughout with the highest motives, anxious only to make good his undertaking to Mr. Montagu and to benefit the city of Bombay.

"Sir George Curtis who is living at Dinard was too ill to attend. He has, however, furnished answers to certain questions which were sent to him. Although he was the Member in charge during the inception of the scheme, he has not been able at this distance of time to give us any information of value and he cannot enlighten us at all as to the reason why no one in the Government of Bombay queried the varying descriptions of clay or compared the estimates of Mr. Kidd and Sir George Buchanan with reference to 1912 and 1919 prices." The Committee next dealt at length with Sir George Buchanan and state: "We cannot understand how Sir George Buchanan's figures found acceptance in Bombay and Delhi even with the addition of some 10 per cent. It was common knowledge that prices of plant, material and labour, when taken collectively, had gone up at least $2\frac{1}{4}$ times in the period between 1912 and 1919. The 1912 figure of Mr. Kidd, Rs. 323'23 lakhs, had been accepted both by the Government of Bombay and the Government of India as a fair figure. If that was their belief, then Rs. 366 lakhs, was a manifest under-estimate and proper scrutiny would infallibly have demonstrated it. When Sir George Buchanan was being questioned on these two sets of figures by the Committee and the rise in prices and the inevitable inferences arising from them, he preferred not to answer the question. Failure of the Government of Bombay and the Government of India and, in particular, failure of Sir Sydney Crookshank to notice the varying description of clay contained in (a) Mr. Kidd's report, (b) Sir George Buchanan's report, (c) Messrs. Simons and Co's letter of 12th September 1919 and general conditions enclosed with that letter are regrettable. The reports of Mr. Kidd and of Sir George Buchanan were not studied with due and proper care by the Bombay Government and the Government of India respectively. The Government of Bombay ought to have approached the port Trust and the Royal Indian Marine for permission to dredge in the harbour before deciding on dredging as the mode of reclamation. We consider that Sir George Buchanan ought to have made far more extended and careful local investigations. These occupied him for less than a fortnight in May 1919."

The Committee then make observations at length to justify their conclusion that "with regard to the order for dredger, Sir George Buchanan committed grave errors of judgment. The principal cause of failure of the dredging operations arose, in our opinion, from the fact that Sir George Buchanan did not take trouble to ascertain the working records of 'Kalu' and 'Jinga' and believing that they had done extraordinarily good work, was of opinion that vessels of a slightly increased horse power of the same type would be adequate for the work. A most serious mistake in connection with the order of the dredger was the assumption that a machine capable of dredging 2,000 cubic yards on a short test would be capable of averaging that quantity during a whole season.

The building of the sea wall at both ends simultaneously was disastrous. Though the suggestion emanated from the Government of Bombay who must, therefore, take greater part of responsibility, we are of opinion that Sir George Buchanan should have advised it and resisted it and should, in the circumstances of the sale of block 8 to the military, have prepared a programme for building of the wall and the commencement of reclamation

from Colaba end only. Moreover, the building of sea wall from both ends simultaneously prevented continuance of original and sensible plan which was to shut an area as soon as possible and pump into it with the least possible delay."

Examining the defective organization, the Committee say that from the outset, neither Sir George Buchanan nor Sir Lawless Hepper seemed to have any very clearly defined idea of their respective duties. Later, when the disaster was threatening the enterprise, each relied upon his interpretation of the agreement. Sir Lawless Hepper, when giving evidence, insisted before us that Sir George Buchanan was entirely responsible for the due execution of the works as if he were in fact a contractor who had undertaken them. On the other hand, Sir George Buchanan contended that responsibility lay with Sir Lawless Hepper, pointing out that he it was who had control of the resident engineer and that his firm has no power of dismissal over any of the staff. On a strict construction of the agreement, we incline to the opinion that Sir George Buchanan is right although there are statements of his to be found in his correspondence which would bear the interpretation that he did regard his firm as responsible for the actual carrying out of the works. The reports of the Development Directorate drafted by Sir Lawless Hepper cannot be justified. They did not present a true picture of the progress of work and concealed material circumstances. We are of opinion that Sir Lawless Hepper had so much work in connection with other development schemes that even if he had appreciated his responsibility for the execution of the works, he could only have carried out that duty as regards reclamation by neglecting other duties relating to the other schemes. Mr. Lewis was not a specialist in sea works and dredging. Sir George Buchanan ought to have nominated him. It is most regrettable that he was allowed, contrary to Sir George Buchanan's advice, to remain at his post till July 1924. We are of opinion that Mr. Elgee, Mr. Orlake and Mr. Speirs have done their best on all occasions to promote the interests of reclamation and that the quarry constructional and dredging staff have done their duty."

Finally, the Committee say: "It has been put forward that reclamation of back bay would, by providing more land in business and residential area, in some way relieve housing conditions of poor classes. That, in our opinion, is too remote for serious consideration, but had back bay proved to be a financial success which was anticipated, the advantage to all classes of persons in the city and throughout the presidency would have been that there would have been available immense sums of money to be used for any purpose pleasing to the Legislative Council. Confident anticipation of profits had no doubt considerable weight in causing reclamation of back bay to be accepted as an integral and necessary part of any comprehensive plan of development."

Discussing charges of dishonesty, the Committee observe: On three occasions in Bombay we announced publicly our willingness to receive evidence from any one who could give us assistance upon any matters coming within our terms of reference. One of these matters undoubtedly was the conduct of officials of the Development Directorate in relation to the Reclamation Scheme. In March of 1925, Mr. Nariman stated in the Legislative Council that there were ugly rumours in the city that higher staffs of officers in the Development Directorate had been receiving secret commissions from manufacturers. It may be true that there were ugly rumours, but as far as our

enquiries into the affairs of the Back Bay Scheme have gone, there has not been very slightest evidence brought forward that these ugly rumours had any foundation. In fact, no one has brought any charge against any manufacturer of having given, or any official, high or low, of the Development Directorate of having accepted a commission. When Mr. Nariman gave evidence before the Committee, he did not disclose any fact which, in the least degree, implicated any one of wrong-doing of this character. There has not been throughout the whole of the enquiry the least suggestion that any one interested in supplying or ordering goods for reclamation or assisting in the work of reclamation has been guilty of any dishonesty of any kind whatever.

The Recommendations.

After this criticism, the Committee lay down the following recommendations for future operations :—(1) For financial reasons, the completion of block 8 is a most urgent work. (2) Foreshore portion along blocks, 3, 4, 5 and 6 should be filled in to an average width of 300 feet seaward of the present shore line and brought up to the ground level of the reclamation strip and should curve at both ends so as to join on with block 2 at the northern and block 7 at the southern end. This should be done as speedily as possible. (3) Foreshore strip should be reclaimed with moorum filling. (4) A complete lay-out of the area to be reclaimed should be prepared. The foreshore strip should be developed as soon as completed and blocks, 1, 2, and 7, gradually as land is taken up. The lay out already prepared for the complete scheme (1,145 acres) should be re-examined with the help of a Committee and lay-out of the area now recommended for reclamation should fit in with the lay-out approved for complete reclamation, if ultimately undertaken. The Corporation of Bombay should share the cost of development and the Government should arrive at an understanding with the Corporation on this point. (5) Results of the work of "Sir George Lloyd" and "Colaba" during the current season should be verified. If the cost of filling by dredging approximates to that of moorum and the quality of the reclaimed land is satisfactory, they might be used for blocks 1 and 2 after block 7 is completed. If not they should be disposed of. Notice should not be given to the staff until this point is decided. (6) Reclamation should be removed from the control of the Development Directorate and carried out in accordance with one or other of the plans suggested in the report. A small Committee including one or two experienced engineers should be constituted to advise the Government on matters referred to them. (7) Work should, in future, as far as possible be carried out by contract agency. (8) Alternative estimates of the cost of the scheme now proposed are submitted. Extension of 300 feet foreshore strip by additional strips of 400 feet and 300 feet as need arises, is contemplated. Blocks 1 and 2 are being the most valuable in the whole project should be completed as soon as possible. No part of them should be assigned for recreation purposes. (9) Detailed revised estimates should be prepared at once. The form of tender issued by the Development Directorate should be revised. (10) Every endeavour should be made to complete the scheme proposed in three or four years. When a demand arises for completing the whole, reclamation work may be carried out by moorum filling exclusively.

The Cotton Textile Tariff Board's Report.

The Cotton Textile Tariff Board's report and the Government of India's decision thereon were published on the 6th June 1927. The Board consisted of Mr. Noyce, President, Raja Harkishna Kaul and Mr. Subba Rao. The report is unanimous except for a point of importance regarding the nature and the extent of protection. The Government of India have in this respect rejected both the majority and minority views.

The Government of India's Resolution.

The Government of India's resolution first surveys the Board's findings and then enunciates its decision. It states: "On the application of the Bombay Millowners' Association the Government of India appointed a special Tariff Board in June 1926 to investigate the condition of cotton textile industry, to examine the causes of depression and in particular to consider whether the depression is due to the competition of other countries. The Board was instructed to report whether the industry was in need of protection and if so in what form and for what period protection should be given. The Board was further instructed to make any other recommendations germane to the subject.

Japanese Competition.

The Board has found that the present depression is largely due to causes which are not peculiar to India but are world-wide in their operation. In India itself, depression has been more acutely felt in Bombay than in other parts and the Board attributes this state of affairs partly to causes for which the mill-owners themselves are responsible, partly due to competition of mills in other parts of India and partly to competition from Japan. Under the first head stress is laid on the undue conservatism and insufficient diversification of production while the relative prosperity of mills in the other parts of India is ascribed mainly to natural advantages they possess, particularly in a lower rate of wages and also in their proximity to their markets and to areas from which they obtain their raw material. The Board has emphasised the importance of the increasing competition of mills in other parts of India as a menace to the industry in Bombay and considers that it constitutes a problem not less urgent than that which arises from competition from abroad. The Board has found that competition from abroad from which the Bombay mill industry is suffering is from one country only. It was not contended by the Bombay Millowners' Association that either the volume of imports from the United Kingdom or the prices at which they were sold had in any way been a contributing cause of the present depression. In regard to imports from all countries other than Japan, the Board has found that there has been no change to the disadvantage of India as compared with the pre-war position.

On the other hand Japanese competition is severely affecting the industry in respect both of yarn and piecegoods and in so far as this competition is facilitated by inferior conditions of labour in Japan the industry has in the Board's view established its claim to protection against it. The

inferior conditions, particularly referred to, arise from the provision of Japanese Factory Law which permits the employment of women by night and thereby enables Japanese mills to work double shifts. The advantage to Japanese mills in the actual cost of manufacture according to the Board's estimate is about 4 per cent on both yarn and cloth; but if a reasonable return on the capital is included in the cost of production the advantage increases to 10 per cent on yarn and 12 and a half per cent on cloth. The Japanese mills will, the Board thinks, retain their advantages until a date when the amended Factory Law comes into full operation which is expected to be the 1st of July 1929 and in that case any influence on the market of the stocks accumulated before that date should have disappeared by the end of the official year 1929-30.

All the findings of the Board which have been mentioned are unanimous, except as regards the estimated advantage to a Japanese mill working double shifts if a fair return on the capital is included in the cost of production.

Board's Recommendations.

In addition to a number of detailed recommendations directed towards the improvement of the internal organisation of the industry the Board has made two important recommendations designed to assist the industry in securing a greater diversification of production and to stimulate a larger output of goods of higher quality. The first is the establishment with financial assistance from the Government of combined bleaching, dyeing and printing works at Bombay. The recommendation is unanimous.

The second which is put forward by a majority of the Board is for payment for period of four years of a bounty of one anna per pound or its equivalent on the production of yarn of 32s and higher counts. Based on the output of an average of 15 p. c. of the total working spindleage in a mill, the cost of this bounty is estimated to be about 30 lakhs of rupees per annum. The President of the Board, Mr. Noyce, dissents from this recommendation. A majority of the Board has proposed that import duty on cotton piecegoods should be increased from 17 to 18 per cent for a period of three years. The primary object of this increase is to provide funds to meet the cost of the proposed bounty of spinning of finer counts and certain other proposals made by the Board but it will also serve to reduce the rigour of competition from Japan from which the industry suffers. No increase in duty on yarn is recommended by the majority in view of the effect that such a measure might have on the handloom industry. The President of the Board, Mr. Noyce, does not consider that an all-round increase in import duty on piecegoods can be justified but has recommended that an additional duty of 4 per cent. should be imposed on all cotton manufactures including yarn imported from Japan for a period of three years.

Government's Decisions.

The Board has proposed several other measures for the assistance of the industry by the Government. Most of these are under separate consideration and only one can be mentioned here. The Board has unanimously recommended the remission of import duty on cotton textile, machinery and on certain mill stores for a period of three years after which the question of continuing the remission would be considered in the light of the conditions then existing. The loss of customs revenue from this remission

according to the Board's estimate is about 50 lakhs of rupees per annum. Finally, the Board emphasises its view that State aid and changes in the Tariff which it has proposed can in themselves prove no more than palliatives and would indeed fail in their purpose if they did not succeed in stimulating and encouraging the industry to undertake reorganisation and effect economies on lines suggested. The Government of India are unable to accept the recommendation of the majority of the Board that spinning of higher counts of yarn should be stimulated by the grant of a bounty. They are satisfied that the administrative difficulties in the working of a scheme of the kind proposed are insuperable and they agree with the view expressed by the President of the Board (Mr. Noyce) that a long established industry such as the cotton textile industry in Bombay should need no stimulus at the cost of general tax-payers nor that such a development is in its own interest.

As regards the proposal that the Government should contribute towards the cost establishing combined bleaching, dyeing and printing works in Bombay the Government of India are unable to express any opinion until they have ascertained the views of the Local Government and of the cotton mill industry in Bombay and elsewhere. Rejection of the proposed bounty on spinning of finer counts removes the principal reason advanced by the majority of the Tariff Board for general increase in import duty of cotton piecegoods. The Government of India are also satisfied that on the facts as found by the Board no case has been established for a general increase in duty as a measure of protection.

The Government of India accept the finding of the Board that the advantage to Japan resulting from labour conditions in that country until an amended factory law comes into full operation in actual cost of manufacture would not be assisted at about 4 per cent on both yarn and cloth. In making this calculation the Board has allowed for the fact that double shifts are universal in spinning mills in Japan but not in weaving mills in which average hours worked are only 14-15 hours, but the majority of the Board omitted to make a corresponding allowance when calculating the advantage if a reasonable return on the capital is included. Hence the advantage to Japan when calculated on this basis should be 10 per cent on cloth and not 13 and a half per cent as stated by the majority of the Board. It follows that the advantage to Japan even if a reasonable return on the capital is included is already sufficiently covered by the existing revenue duty of 11 per cent on cotton piecegoods. No additional duty on this account can, therefore, be justified. The existing revenue duty on yarn is only 5 per cent and in this case if this calculation of the majority is accepted the advantage to Japanese mills is not fully covered but an additional duty on yarn only would affect prejudicially the handloom industry and for this reason should not be imposed.

Removal of import duty on machinery and on materials of the industry was recommended by the Fiscal Commission and is in accordance with the principle of the resolution adopted by the Legislative Assembly on the 10th February, 1923, that the fiscal policy of the Government of India may legitimately be directed towards fostering the development of industries in India.

In giving effect to this principle as revenue considerations permit, the Government of India are prepared to give precedence to articles used chiefly

by the industries which are passing through a period of depression but they would be unwilling to differentiate between industry and industry by allowing one industry to import free of duty articles on which other industries have to pay duty. The Government of India have decided therefore to deal on these lines with the recommendation of the Board that the import duty on cotton textile machinery and mill stores should be remitted for a period of three years.

Forthcoming Legislation.

The Government of India will introduce legislation at the next session of the Indian Legislature to remove altogether with effect from 1st October 1927 duties on the following articles:—"All machinery and component parts of machinery as defined in items No. 51-A and 51-B of Import Tariff Schedule (schedule 2 to the Indian Tariff Act 1894), aniline and alizarine dyes, bleaching powder and paste, farina, china clay, sago flour, magnesium chloride, starch, tallow and cotton ropes. It is estimated that the consequent loss of customs revenue will be 45 lakhs of rupees in 1927-28 and 85 lakhs in a full year. The removal of duty on machinery is subject to the provision that it may be necessary to reimpose an import duty on particular kinds of machinery, if it appears on a report by the Tariff Board that it is desirable to encourage the manufacture in India of such machinery and that a protective duty is required for that purpose or that the imposition of a duty is necessary in order to secure equality of tariff treatment and remove a handicap under which the manufacture of such machinery in India would otherwise suffer.

The remaining recommendations of the Board in so far as they concern the Government are under consideration."

Conclusions and Recommendations.

The following is a summary of the conclusions and recommendations of the Board:—

CHAPTER II.

(1) The most striking feature in the history of the cotton textile industry in India from 1899 to 1912 is the expansion in every direction especially in weaving (para 7.)

(2) Other important features in the history of this period are the loss of the export trade in yarn, the gradually decreasing dominance of Bombay and the increasing share of Japan in the import trade (para 7.)

CHAPTER III.

(3) The present depression in the cotton textile industry had been and is much acutely felt in Bombay than in other centres (para 12.)

(4) The mills which have spinning departments only have been affected to a greater extent than mills which have both spinning and weaving departments (para 12.)

(5) The demand for protection has not been as earnestly pressed from other centres as from Bombay and Ahmedabad (para 12.)

CHAPTER IV.

(6) The altered relation between agrarian and general prices since 1920 has contributed to the depression in the industry (para 14.)

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(7) The boom and the depression in India have presented all the features which characterises a trade cycle (para 15).

(8) The course of American cotton prices has contributed to the depression in the industry (para 16).

CHAPTER V.

(9) The competition of Japanese yarn exercises a depressing effect on the price of Indian yarn (para 20).

(10) Japanese yarn of 32s. is being sold at a price which is practically equal to the cost of manufacture alone of yarn of this count in India without any allowance for profit or depreciation (para 20).

(11) In cloth of the lower counts, that is, in drills and sheetings, Indian mills are able to hold their own and it is, therefore, doubtful whether the Japanese imports in these lines control prices in India (para 26).

(12) In cloth of counts of 30s. and above, the cost of manufacture alone in Indian mills is either practically equal to or higher than the Japanese sale price and Japanese competition, therefore, exercises a depressing effect on the prices of Indian mill production (para 26).

(13) The depreciation of the Japanese exchange, while it lasted, stimulated exports from Japan to India but Japan now enjoys no special advantage in regard to exchange (para 30).

(14) Double shift working in Japan gives the Japanese industry an advantage of 4 per cent on the actual cost of manufacture both of yarn and cloth. This advantage is considerably increased if a reasonable return on capital is included in the cost of production (para 32).

(15) It does not appear that mills in Japan can, as a rule, obtain higher prices in the home market than they can from exports and a charge of dumping in the usual sense of the word cannot, therefore, be substantiated (para 34).

(16) Conditions of labour in Japan are inferior to those in India in respect of hours and the employment of women and juveniles at night (para 35).

(17) It must, therefore, be held that there is unfair competition between Japan and India, and that this competition is an important cause of the present depression in the cotton textile industry (para 35).

CHAPTER VI.

(18) The stabilisation of the rupee at 1s. 6d. coming as it does at a time of falling prices, has rendered the problem presented by the disparity between prices and wages in the industry somewhat more pronounced (para 38).

(19) Over-capitalisation has contributed to accentuate the depression in Bombay (para 39.)

(20) The dividends paid by the Bombay industry during the boom period were unduly high (para 40.)

(21) Except to the extent that defects in the managing agency system such as undue conservatism and lack of initiative have contributed to the present depression that system cannot be held to be responsible for the existing conditions (para 41.)

(22) The use of inefficient machinery cannot be held to have affected the industry to any appreciable extent (para 42).

(23) Difficulties in arranging finance both by mills and dealers in piecegoods have contributed to accentuate the depression (para 43).

CHAPTER VII.

(24) The loss of the China trade in yarn is an important cause of the present depression in Bombay (para 44).

(25) The loss of the export trade in yarn has not been compensated appreciably by an increase in the export of piecegoods (para 45.)

(26) The increasing competition of mills in Ahmedabad and other centres is also an important cause of the present depression in Bombay (para 46.)

(27) Greater attention to diversification of production, more direct contract with consuming centres and greater alertness on the part of commission agents would to some extent have mitigated the severity of the depression in Bombay (para 47.)

(28) The depression in India has not been accompanied by any decrease in production but over-production cannot be held to be a cause of the depression (para 48.)

(29) Labour costs in Bombay are markedly higher than those in other centres (para 49.)

(30) High labour costs in Bombay cannot be held to have caused the depression but they have undoubtedly accentuated it (para 49.)

(31) High local taxation has added to the difficulties caused by the depression in Bombay (para 50.)

CHAPTER VIII.

(32) Examination of the figures of cost of production in the various centres shows that by far the greatest disability in costs of manufacture from which Bombay suffers in comparison with Ahmedabad and other up-country centres is in its high cost of labour (para 52.)

(33) Bombay is under substantial disadvantages as compared with other centres in regard to cost of fuel and power, cost of water and higher local taxation, but these appear to be rather more than offset by advantages in regard to cost of stores, of insurance and of office expense (para 52.)

(34) In regard to supplies of raw material the balance of advantage as compared with other centres is on the whole, against Bombay (para 52.)

(35) Proximity to local markets is a factor which operates appreciably to the benefit of the mills in up-country centres (para 52.)

CHAPTER IX.

(36) To the extent that the depression in the cotton textile industry in India is the outcome of the cyclical character of trade, it is not of a permanent nature (para 53).

(37) It is impossible to express a definite opinion as to how far foreign competition can be regarded as a permanent cause of depression (para 53).

(38) The loss of the China trade in yarn must be regarded as a cause of depression which is of a permanent character (para 53).

(39) When the increasing competition with the Bombay industry of Ahmedabad and other up-country centres is a temporary or permanent

cause of depression must depend on the steps taken by the Bombay industry to meet it (para 53).

(40) In regard to the purchase of raw material in Bombay, a single hedge contract is the ideal to be aimed at but, in the meantime, proposals on the lines of the scheme put forward by Messrs. Forbes, Forbes, Campbell and Company for reducing the number of the existing hedge contracts and widening their scope should again be placed before the Representative Committee of the East India Cotton Association (para 55).

(41) Managing agents would be well advised to employ brokers who do not operate on their own account and who are not themselves in actual possession of cotton (para 55).

(42) No economies in the cost of fuel and power appear possible in Bombay (para 56).

(43) A further reduction in the charge for water in Bombay is desirable (para 57).

(44) Managing agents should exercise the closest supervision over all purchases of stores (para. 58).

(45) The only alternative to a reduction in wages in the Bombay mill industry is increased labour efficiency and it is in this direction that the true lines of advance lies (para. 59).

(46) The general adoption in Bombay of the system of maintaining a labour reserve to provide against absenteeism is desirable (para 60).

(47) The piecework system should be extended to spinners in Bombay and should be accompanied by an increase in the number of spindles allotted to each spinner (para 61).

(48) The disparity between the wages of spinners and weavers is a matter which demands the attention of the industry (para 61).

(49) An increase in the number of looms attended by a weaver would tend to economy and give increased earnings to the weaver even when accompanied by a slight reduction in rate (para 61).

(50) Economies similar to those suggested in the spinning and weaving departments can be effected in the preparatory departments (para 61).

(51) If the efficiency of operatives is to be improved, it is essential that there should be an improvement in the standard of efficiency of jobbers (para 61).

(52) Increased efficiency cannot be expected from operatives unless they are provided with suitable raw material. The existing tendency to spin higher counts of yarn than the quality of the cotton warrants causes breakages and increases the work of the spinner and the weaver (para 61).

(53) The fixation of a definite period of rest to enable operatives to take their morning meal is desirable (para 62).

(54) Labour should be recruited directly by the officers in charge of the department of the mill which requires it or by a responsible assistant and not by the jobber (para 63).

(55) The practice of compelling weavers to take over cloth spoilt by defective workmanship at its full value should be abolished (para 64).

(56) Fines levied should be used for the benefit of the operatives as a body (para 64).

(57) The standardisation of wages throughout the Bombay mill industry would undoubtedly strengthen the position of the industry. A suitable

scheme could only be drawn up in consultation with the representatives of labour (para 65).

(56) Blocks of the chawls built by the Bombay Development Department might be taken over and administered by groups of mills or by the Bombay Millowners' Association as a body (para 66).

(59) The town duty of one rupee per bale should be reduced to eight annas per bale on all cotton consumed by the Bombay mills (para 66).

(60) More attention to welfare work on the part of the Bombay mill industry is desirable when financial conditions permit (para 67).

(61) Certain alterations in the courses in cotton textiles in the Victoria Jubilee Technical Institute are desirable (para 68).

(62) The provision of more facilities for technical education of mill-operatives especially jobbers is essential to any improvement in efficiency. The early establishment of Trade Schools in Bombay is, therefore, desirable (para 68).

(63) The preparation and distribution of technical handbooks, in the vernacular, plentifully illustrated and drawn up on suitable lines, for the use of jobbers and operatives should be undertaken (para 68).

(64) The high labour costs in Bombay cannot be reduced by the introduction of the Northrop looms but the experiments with the Whittaker attachment should be continued (para 69).

(65) Bombay is not a suitable centre for the adoption of the double shift system since the city is already very congested and the presence of the additional labour force which would be required would increase this congestion (para 70).

(66) The desirability of imposing additional assessment on 'toka' lands in graduated stages when the present assessment expires should be considered (para 72).

(67) The Bombay Millowners' Association should consider the possibility of undertaking fire insurance for its members (para 73).

(68) No economies under the head of technical and supervising staff can be suggested but the proper training of such staff should be insisted on in all cases (para 74).

(69) Depreciation including any amount which may be in arrears, should invariably be regarded as a first charge on profits (para 75).

(70) Mill stocks should in all cases be checked at audit (para 76).

(71) The practice of employing an auditor who is related to the managing agent is open to objection and should be discontinued (para 76).

CHAPTER X.

(72) The Bombay Millowners' Association should take immediate steps to obtain a full range of samples and to maintain a full record of prices of all imported cotton manufactures which compete with Indian goods (para 77).

(73) The Bombay Millowners' Association should constitute sub-committees to deal with questions relating to export and home markets, finance, labour, registration of labels and numbers, supply of raw material and woollen mills (para 77).

(74) Combined action should be taken by the Millowners' Associations and other bodies interested to ensure that the quality of cloth sold under a particular number is maintained (para 78).

(75) At least one member of each firm of managing agents should have received technical training (para 79).

(76) The practice of investing the surplus funds of mills with firms of shroffs is undesirable and should be discontinued as should that of lending the funds of one concern to another under the same managing agency (para 79).

(77) Writing down of capital in the Bombay mill industry is a matter which calls for further attention (para 80).

(78) Bombay should utilise to the full its natural advantages in the matter of climate and situation for the production of goods of higher counts than it has done in the past (para 81).

(79) The difficulties in regard to suitable raw material are not insurmountable, and can be overcome temporarily by greater use of American and African cotton (para 81).

(80) The charges levied for fumigation are a handicap to the use of American cotton (para 81).

(81) In a great expansion in the Bombay mill production of bleached coloured, dyed and printed goods lies one remedy for the depression in the industry in Bombay (para 82).

(82) There is no reason why the printing industry should not be successfully established in India, provided the operations are on a sufficiently large scale, and the latest developments in technique, are utilised to the full. It is necessary, therefore, that the matter should be taken up by a combination of mills (para 82).

(83) A large factory for combined printing, bleaching and dyeing should be established in or near Bombay and there would seem to be great advantages for placing it at Ambernath (para 83).

(84) Greater attention to the quality of production is desirable (para 83).

(85) The practice of selling yarn under double numbers is undesirable, and should be discontinued (para 83).

(86) Both the system of sales on commission and that of selling through the mills' own shops have advantages and it is not possible, therefore, to say which is preferable (para 84).

(87) Representatives of mills should visit the consuming centres from time to time in order to acquaint themselves closely with the character of demand (para 84).

(88) The Bombay Millowners' Association should arrange for trade correspondents in the principal consuming centres (para 84).

(89) Managing agents should not act as guarantee brokers for the mills they control (para 84).

(90) It is desirable that the finance of the cotton industry should be investigated and that an enquiry into the possibility of introducing the warehouse system into India should form part of this investigation (para 85).

(91) The development of the export trade of Bombay would be a valuable means of relieving the depression (para 86).

(92) Coloured and dyed goods form the largest part of the exports of piecegoods and further expansion of this side of the Bombay industry would, therefore, strengthen its position in the foreign market (para 86).

(93) It is essential to the development of the export trade of Bombay that adequate information regarding foreign markets should be available and that the industry should be in a position to utilise it (para 86).

(94) The industry should examine the feasibility of a combination of the mills interested in the export trade for the purpose of arranging such details as manufacture of lines required, allocation of quantities among the members and prevention of imitation of marks and numbers (para 86).

(95) The statistical information regarding the industry should be improved in certain respects (para 87).

CHAPTER XI

(96) High protective duties on the scale advocated by the Bombay and Ahmedabad Millowners' Association cannot be justified (para 90).

(97) The claim for a protective duty of $4\frac{1}{2}$ per cent to enable the Indian mill industry to make provision for depreciation of plant and machinery cannot be admitted (para 91).

(98) No justification exists for a differential duty against Japan on the ground of depreciated exchange (para 91).

(99) The case for a small all round increase in the import duty on cotton manufactures other than yarn is strengthened by the undoubted temporary handicap imposed on the industry by the stabilisation of the rupee at 1s. 6d. (para 91).

(100) A moderate measure of protection both for yarn and cloth can be justified for such period as labour conditions in Japan continue inferior to those in India (para 92).

(101) An additional duty on yarn is undesirable in view of its effect on the handloom industry (para 92).

(102) A differential duty against Japan is undesirable (para 92).

(103) The proposal to give protection against unfair competition from Japan in the form of specific duties levied on the class of goods which are in the main imported from that country is open to several objection and cannot be supported. Protection to the industry should therefore, be given in the form of an addition to the present duty on all cotton manufactures other than yarn (para 92).

(104) No justification for an export duty on cotton can be established (para 93).

(105) The concession of free entry enjoyed by cotton mill machinery and mill stores prior to 1921 should again be granted (para 94).

(106) The most satisfactory method of working the concession so far as stores are concerned would be to grant total exemption from stores which can only be used in the mill or handloom industries and to exempt other stores from duty if imported direct by a mill or to grant a refund on them when they are purchased from "stockist." Two lists have been drawn up accordingly (para 94).

CHAPTER XII.

(107) A stimulus to the production of goods of higher quality can best be given in the form of a bounty on the spinning of higher counts of yarn instead of by an additional import duty on yarn (para 96).

(108) A bounty of one anna per pound, or its equivalent on yarn of 32S and higher counts, based on the production of an average of 15 per cent of the total working spindleage in a mill in British India would meet the situation (para 97).

(109) The operation of the bounty should be limited to four years (para 97).

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(110) The bounty should be limited to the production of 15 per cent. of the spindleage in any mill and would not be given unless the total spindleage employed on higher counts exceeded 7 and a half per cent. and the average count spun was not below 34^s (para 97).

(111) One great advantage of this scheme is that the position of the handloom industry will not be affected (para 97).

(112) As the majority of Indian mills have both spinning and weaving departments, the absence of protection for the lower counts of yarn is compensated by the additional all round duty on cloth. Contingencies may arise in which an additional duty on yarn would be justified (para 98).

(113) If a satisfactory scheme for a combined bleaching, dyeing and printing plant can be put forward by the Bombay mill industry, assistance from Government should be given (para 99).

(114) No justification can be established for the grant of export bounties (para 100).

(115) Two Trade Commissioners should be appointed, one at Basra and one at Mombasa (para 101).

(116) Before Trade Commissioners are appointed for other countries, a rapid survey of the potentialities of the markets in those countries should be undertaken by a small mission (para 101).

(117) It is most important in the interests of the Bombay mill industry that it should have its own representatives in the principal export markets. Expenditure by the Bombay Millowners' Association in this respect should be supplemented for four years by the grant of an equal amount from Government up to a maximum of Rs. 25,000 annually (para 101).

(118) The question of subsidising shipping freights should be investigated by the Trade Commissioner and by the commercial mission suggested in (116). Combination on the part of the Bombay Millowners' Association would place it in a much stronger position to negotiate with shipping companies (para 102).

(119) The difficulties in applying a policy of discrimination in regard to railway freights to the cotton textile industry are insuperable (para 103).

(120) Specific complaints in regard to inequalities of railway freights are a matter for investigation by the Railway Rates Advisory Committee (para 103).

(121) The existing facilities in the matter of railway sidings in Ahmedabad are sufficient (para 104).

(122) The charges for the fumigation of American cotton entering India are levied in the interests of the cultivators of cotton should be borne by general revenue (para 105).

(123) No case has been made out for the abolition of company supertax (para 106).

(124) The cost of those proposals which involve expenditure should be met by an additional import duty of four per cent. on all cotton manufactures other than yarn (para 107).

(125) This duty should be imposed for a period of three years (para 107).

CHAPTER XIII.

(126) No justification has been established for the special treatment of the hosiery industry (para 109).

(127) The abolition of the duty on yarn of counts above 40s. or the

grant of a rebate of the duty to mills using such yarn cannot be supported (para 110).

In conclusion, the majority of us wish to express our deep regret that we have been unable to obtain the President's support for our scheme of a bounty on the spinning of yarn of higher counts. We wish to emphasise that this is the only point of importance on which there is any difference of opinion between the Members of the Board and that in every other respect, apart from one or two matters of analysis or calculation, there has been complete unanimity which has found expression in the presentation of a single Report. We would also like to express our sense of obligation to the President for helpful discussion in the drafting of that part of the Report with which he finds himself in disagreement.

Changes in Tariff.

The changes in the tariff which were suggested to us were three in number: additional import duties on yarn, piecegoods and other cotton manufactures, an export duty on raw cotton, and the abolition of the duty on mill machinery and mill stores. We proceed to examine these suggestions.

We received much evidence in favour of the imposition of additional import duties on cotton manufactures but, apart from those which were put forward on behalf of the hosiery industry which we deal with elsewhere, the only definite suggestions which we deem it necessary to discuss came from the representatives of the industry in Bombay and Ahmedabad. The proposals put forward by the two Millowners' Associations were not, however, in close agreement nor were they advanced on the same grounds. In their original representation, the Bombay Millowners' Association asked for "a scientific tariff so that the goods which Indian mills can manufacture and supply to India shall not be open to unfair competition from foreign competitors." They went on to state that the industry required, "in order to place it in an equal position with foreign countries in respect of the cost of manufacture, additional protection equivalent to 13 per cent and further additional protection to enable the mills to make the necessary allowances for depreciation to plant and machinery." This 13 per cent was based on the 8 per cent advantage which it was held that Japan possessed on the ground of depreciated exchange and on 5 per cent advantage due to inferior labour conditions. The additional protection asked for to enable provision to be made for depreciation was subsequently placed at 4 and half per cent so that the total demand was for 17 and half per cent. In their reply to our questionnaire, the Association explained that by "scientific tariff" they meant a fixed duty per pound on the different classes of cotton goods imported into India and that they had in mind a tariff somewhat similar to that in force in Japan. They considered "that a heavy duty should be levied on coarse goods and lower counts of yarn, a moderate duty on medium classes of goods and a low duty or the present rate on higher counts and on special types of goods which cannot be manufactured in India economically." In the course of their oral examination, the representatives of the Association elaborated their position and explained that the increased "ad valorem" duty of 17 and a half per cent and the scientific tariff were alternative suggestions and that if the scientific tariff were adopted in preference to the 17 and a half per cent "ad valorem" duty the specific duties imposed under it on certain classes of goods would require to be much heavier.

The concern of the Bombay Millowners' Association was with protection against what they regarded as unfair competition. The Ahmedabad Millowners' Association went further. In their reply to our questionnaire, they asked for a substantial increase in the import duty on cloth and yarn up to 40s counts, a moderate increase for counts up to 60s and little or no increase on counts above 60s. In their oral examination, they explained that they asked for increased duties on all imported yarn, both and other manufactured goods and justified the extension of their demand beyond that put forward by the Bombay Millowners' Association on the ground that the additional duties proposed would enable the Indian mill industry to establish itself firmly in the spinning of higher counts of yarn and the manufacture of cloth therefrom. In the course of their oral examination, their representatives also changed the character of their demand slightly and asked that the higher duty should be imposed at a uniform rate on all counts of yarn up to 60s and on cloth manufactured therefrom, the duty on yarn and cloth above 60s. to be such duty as was required for revenue purposes.

We have before us, therefore, three different proposals, two emanating from the Bombay Millowners' Association and one from the Ahmedabad Millowners' Association. These are :—

(1) Additional duties to the extent of 17 and a half per cent on cotton manufactures imported from countries from which there is "unfair" competition.

(2) Specific duties of amounts not specified on all imported goods of low, medium and higher counts respectively but which would work out on certain classes of goods at a higher rate than the ad-valorem duty.

(3) Additional duties to the extent of 12 and a half per cent on all cotton manufactured goods of counts up to 60s. from whatever country imported and lower duties on those of counts above 60s.

Before we proceed to examine in detail the grounds on which the Bombay Millowners' Association have sought to justify the imposition of the additional duties they suggest, it is necessary that we should consider, in their broader aspects, the problems involved in the levy of duties at the rates suggested by the two Associations, in other words, the general effect of high additional duties on the future course of prices and the development of the industry.

Effect of High Additional Duties.

The first of the three proposals set forth above is that an additional duty of 17 and half per cent should be levied on all imports from foreign countries from which there is "unfair competition." The duty would thus be a differential duty on a comparatively small portion of the imports even if it were decided, in order to avoid the difficulties arising from the existence of the Anglo-Japanese Convention of 1905, to extend it to all countries outside the British Empire. It is unnecessary to enter in any detail into analysis of the working of such a duty and it will suffice to state the conclusion that a differential duty on a relatively small portion of the supply does not bring about an increase in price, over the whole supply unless, and the reservation is of the greatest importance in the present connexion, prices before the levy of the duty have not been such as to yield an adequate return to the industry. If, on the other hand, as is claimed, prices have been forced below the cost of production of efficient mills by

the pressure of unfair foreign competition, the levy of a differential duty against the countries from which such competition comes should raise them to a level which is, at any rate, sufficiently high to meet the expenses of production. The extent of the rise will depend on the extent to which it corrects the unfair advantages enjoyed by foreign competitors. To the extent of that rise, it involves a burden on the consumer but it cannot be considered an undue burden since no industry can be expected to suffer continuous losses in his interests. Dumping and depreciated exchange were held by the Indian Fiscal Commission to constitute unfair competition against which Indian industry was justified in seeking protection beyond that afforded by any existing revenue duties. The case of unfair labour condition was not specifically considered by the Indian Fiscal Commission but it appears to us to fall within the same category. We hold that an industry may legitimately ask the State to assist it to revert to what may be regarded as normal conditions of business and that the consideration of decisive importance is, therefore, the correctness of the analysis of the situation and the accuracy of the estimates of the disadvantages to which the industry is subjected by unfair competition. It should be pointed out that, even if no counter-vailing duty is levied a rise in price is inevitable since, unless Japan is able to supply all the requirements of India at the low prices at which she is able to supply part of them, it is to her interest, once she has established herself in the Indian market, to allow prices to rise to the level at which other competitors can sell without loss but which would yield her larger profits. A rise of prices in this way would, however, be far more gradual than that which follow the imposition of a differential duty and in the meantime serious and perhaps lasting damage might have been inflicted on the home industry. From the point of view of the consumer therefore the imposition of a differential duty against unfair competition merely hastens the rise in prices which would, in any event, be brought about by the play of normal economic forces.

The proposed specific duties stand on a different footing. They are intended to secure in an indirect way what a duty on all classes of goods imported from Japan would secure in a direct way. We shall deal subsequently with the administrative and technical difficulties which militate against the resort to such duties, whether for revenue or protective purposes, but would here draw attention to some considerations which we regard as of very great importance. While the objective of duties imposed on the basis advocated by the Bombay Millowners' Association might be the imports from one country only, the duties would affect the imports from all countries alike. Heavy duties on coarse cloth and lower counts of yarn and moderate duties on medium classes of goods would cause a rise in prices of all such goods entering India. The rise in prices would thus be both more immediate and higher than would be effected by duties levied against the imports from a particular country only. The only safeguard to the consumer would lie in the operation of internal competition and the operation of this factor would be impeded by the virtual monopoly in the coarser and medium goods secured by the heavy duties on them. The burden on the consumer would thus be heavy and of considerable duration and the only justification for it would lie "in the educative influence which may be brought to bear on the industrial classes of a nation to devote their energies to tasks for which they have adequate resources and opportunities but in which they nevertheless lag

behind the best practice that can be found elsewhere (Dr. Marshall).” There is, unfortunately, no reason to believe that any development in this direction would follow. We have stated elsewhere our view that it is essential to the recovery of the Bombay industry that there should be greater diversification of production and a development of the spinning of higher counts of yarn. Both the form and magnitude of the specific duties suggested would retard rather than promote such a development as they would place a premium on the spinning of the lower counts and the manufacture of cloth from them. They would, therefore, in no case, benefit the Bombay industry which stands in the greatest need of assistance, for they would not help it in its competition with the upcountry mills. The result of such duties would be to impose a burden on the consumer of the coarser goods who is obviously least able to bear it in order to enable the industry to persist in unprogressive lines of production and that too at a time when it is the contention, even of those who advocate the duties, that his purchasing power has been reduced.

The proposals put forward by the Ahmedabad Millowners' Association differ from those examined immediately above in that they do not favour the production of coarser goods to the disadvantage of those of medium counts and are indeed put forward in the expectation that the change to medium counts would be stimulated by the imposition of the duties they propose. The difference is, however, one of degree rather than one of principle. If there is no differentiation in the treatment of coarse and medium goods, it is not to be expected that a development in the production of the latter which has been under discussion for a long time past without any appreciable results will come about. The objections to specific duties apply equally to these proposals.

Exception may be taken to the presentation of the case which has been put forward above on the ground that, while the specific duties have been proposed either solely or mainly to protect the industry against unfair foreign competition we have applied a test which is irrelevant in this connexion, that of the greater diversification of the industry. So far as the Ahmedabad Millowners' Association are concerned, however, the view was distinctly put forward that the additional duties were required even more for the promotion of greater diversification than for protection against unfair foreign competition. There is a further answer that, in view of the heavy burden likely to be imposed on the consumer, protection on the scale asked for can only be legitimately demanded by an infant industry.

It may further be urged that we have exaggerated the extent and duration of the burden to the consumer as internal competition would operate to prevent any rise in prices beyond the level of normal expense of production including a reasonable return on capital. This view was placed before us both by the representatives of the industry and by other witnesses. It is a view which is widely held and is not without theoretical justification if long period results alone are considered. It is a valid argument that, given immunity from foreign competition, the home producer will at first reap the benefit of prices raised almost to the extent of the additional duty but that the prospect of such prices will induce increased production both by those already in the field and by those attracted to the industry by the expectation of high profits. In consequence, prices will again be lowered by competition among the producers to the level at which they only cover costs of production including the reasonable return on capital which it is the

presumption that at the earlier level of lower prices brought about by unfair foreign competition they did not do. But while the high duties are proposed avowedly on the ground that only then will conditions be equalised, the argument implies that the lower level of prices brought about by internal competition will still be sufficiently high to compensate producers. In other words, either it is sought to place on the consumer at the outset a larger burden than is justified or the industry will, as soon as internal competition lowers the level of prices, be no better off than it was before the duties were imposed.

A further objection to protection on the scale proposed by the representatives of the industry is that whilst, on the one hand it would encourage additional production, on the other, it would restrict consumption. The problem before the Indian mill industry and especially the Bombay section of it is to secure increased consumption and not merely to make higher profits on restricted sales. The Bombay Millowners' Association in their original representation have expressed the view that enhanced import duties would not raise the prices to the consumer as internal competition between the mills in India would establish 'equitable' prices. We have examined this aspect of the question above. They further maintain that the enhancement of the import duties on cotton manufactures other than yarn to 11 per cent in 1921 did not raise the price of cloth or check its consumption. It is impossible to disentangle the effect of an increased duty on prices or on consumption especially where, as in the case of cotton textiles, so much depends on other factors such as the cost of raw material in respect of prices or the presence or absence of a good monsoon in respect of consumption. But it is axiomatic that, other things being equal, the effect of an increased duty must be to enhance prices and that the effect of increased prices is to restrict consumption. The figures of consumption per head of cloth which we give in Appendix IV throw some light on this as they bring out very clearly the extent to which high prices restricted consumption, from 1917 to 1923, and especially in 1919-20. It is difficult to draw a definite conclusion from the figures for the last four years but it is noteworthy that the consumption of cloth per head in 1924-25, 15'01 yards, was higher than in any year since 1923-24 and that allowing for the slight correction required owing to the absence of figures for exports by land for 1925-26 it is higher in 1925-26 than in any pre-war year, with the exception of 1912-13 and 1913-14 when imports were unusually high owing to the abundance and low prices of American cotton. Although prices in 1924-25 were slightly higher than in 1923-24, the average prices longcloth being 11'16 annas per pound in the former year against 21'52 annas in the latter the consumption per head in the latter year was 15'01 yards against 12'12 yards in the former. This can be accounted for by the fact that 1924-25 followed a long series of years in which prices had been high and consumption below normal and also that the decline in prices which has continued ever since set in August of that year. The figures appear to show that the recent decline in prices has stimulated consumption a movement which an increase in import duties would undoubtedly check.

Our President desire to make it clear that, while he is in entire agreement with the views expressed above, he wishes this part of the chapter to be read in the light of the remarks in his minute of dissent.

The grounds urged in favour of high Additional Duties.

We now proceed to examine the grounds on which the Bombay Mill-owners' Association have put forward a claim for 17 and half per cent protection against foreign countries, the imports from which compete unfairly with Indian manufactures. The claim for a 4 and half per cent duty to enable Indian mills to make the necessary allowance for depreciation of plant and machinery can be dismissed very briefly. Depreciation charges are obviously as much a cost of production in the country against which protection is sought as they are in this country and an enhancement of protection to enable provision to be made for them as well as on the ground that costs of production, owing to unfair competition, are lower elsewhere than they are in India would obviously mean that they would be allowed for twice over. No claim for protection to enable this provision to be made can, therefore, be admitted.

The Bombay Millowners' Association claimed a protective duty of 8 per cent on the ground of depreciated exchange. It is unnecessary to examine the basis of the calculations on which this claim was made since, as we have pointed out in paragraph 30 any advantage which Japan possessed owing to a depreciated exchange has disappeared with the restoration of the yen to its gold parity and any disadvantages to which the industry may be subjected from the stabilisation of the rupee at 1s. 6d. are therefore not confined to imports from Japan. In paragraph 38, we have discussed the extent of these disadvantages and have stated our conclusion that the stabilisation of the rupee at 1s. 6d. coming as it has done at a time of falling prices, has rendered the problem presented by the disparity between prices and wages in the cotton textile industry more pronounced. That foreign competition may be intensified in such circumstances until prices and wages adjust themselves to the altered ratio is an economic truism. A number of countries have enacted tariff legislation to safeguard home industries against unfair competition arising from the depreciated currencies of competing countries. The validity of the principle underlying such legislation was admitted by the Indian Fiscal Commission who suggested the insertion in the legislation against dumping, which they proposed, of a clause on the lines of the provision in the Australian Act which would in their opinion prove an ample safeguard against any dangers that might be anticipated from exports from a country with a depreciated exchange.

It was held by many witnesses before us that if the validity of the argument for protection against countries with a depreciated exchange is admitted a similar argument must be held to apply to a rise in exchange to which internal prices and wages have not been adjusted. We have pointed out elsewhere that the direct disadvantages to the cotton industry have been estimated at between four and six per cent, according to the price of cotton but that, in our view it is impossible satisfactorily to assess either the exact measure of the disadvantage or the period for which it will last. In these circumstances and in view of the complexity of the considerations involved we should have had considerable hesitation in proposing an increase in the import duty on this ground alone but the majority of us consider that the reasons we advance elsewhere for a small all-round increase in the import duty on cotton manufactures other than yarn are strengthened by the undoubted temporary handicap imposed on the industry by the stabilisation

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of the rupee at 1s. 6d. Our President dissents from this view for reasons recorded in his separate minute.

We now come to the examination of the claim of the Bombay Mill-owners' Association that the Indian cotton textile industry requires protection against Japan owing to the competition which results from the unfair conditions in that country in regard to hours of labour and the employment of women and children at night. In paragraph 35 above we have stated our conclusion that to the extent that conditions of labour in Japan are inferior to those in India in these respects, it must be held that there is unfair competition between India and Japan. We have further pointed out that Japanese competition is severely affecting the Indian industry in respect both of yarn and piecegoods and our conclusion is that, to the extent that this competition is facilitated by the inferior conditions of labour in Japan the industry has established its claim to protection against it. The Bombay Millowners' Association estimate the advantage which accrues to the Japanese industry from its labour conditions at five per cent. We have preferred to make our own detailed calculations under this head, and have assessed the advantage in actual cost of manufacture at about 4 per cent. in both yarn and cloth. If, as the majority of us consider, the advantage the Japanese industry obtains should be worked out on the basis of the inclusion of a reasonable return on capital in the cost of production, as is the practice of the United States Tariff Commission with regard to their calculations of comparative costs of production, it is very much greater and may be placed in the neighbourhood of $12\frac{1}{2}$ per cent. on cloth and 10 per cent. on yarn. We are agreed that, in addition to the protection afforded by the present import duty of 5 per cent. on yarn and 11 per cent. on cloth a moderate measure of protection can be justified for such period as the labour conditions in Japan continue inferior to those in India.

Conclusions and Recommendations.

The majority of us consider, however, that the imposition of any additional duty on yarn is undesirable in view of the effect that this would have on the handloom industry which in 1925-26, according to the figures given in Appendix IV supplied about 26 per cent. of the total consumption of cloth in India. It was represented to us by many witnesses, including some Directors of Industries, that the imposition of an additional duty on yarn would not affect that industry unfavourably as the greatest part of its output is of cloth woven from yarn of the finer counts and may, therefore, be regarded as a luxury product, any increase in the price of which due to an enhanced duty could easily be passed on to the consumer. We are not convinced by this argument. The figures we have given in preceding chapters show that a large proportion of the output of the Bombay mills in the coarser counts is placed on the Indian market and any increase in the price of this must react unfavourably on the handloom industry. It will also react unfavourably on the position of those mills which have weaving sheds only and are dependent on yarn either locally manufactured or imported. For these reasons the majority of us are of opinion that any assistance given to the spinning industry is, for reasons stated elsewhere, best given in the form of a bounty. In regard to protection for cotton manufactures other than yarn in order to enable them to meet Japanese competition, there are four methods by which such a duty could be levied.

An additional duty might be levied on imports from Japan alone. This would necessitate the abrogation of the Anglo-Japanese Convention of 1905 under which Japanese imports into India are entitled to "most favoured nation treatment" and might lead to retaliation against exports from India which largely exceed in value the imports into this country from Japan, the figures in 1925-1926 being Rs. 58 crores for exports against Rs. 18 crores for imports. In these circumstances, the majority of us are of opinion that the imposition of a differential duty against Japan is undesirable when the object aimed at can be secured in other ways.

It should be pointed out that a further complication arises from the fact that, if a differential duty is imposed, against Japan on the ground of inferior labour conditions, it would appear logically to follow that it should also be imposed against China where labour conditions are inferior to those in Japan and also against the United States which also has not ratified the Washington Convention and where, as will be seen from Appendix IX, in some of the Southern States, there is no limitation of the number of hours and prohibition of the employment of female labour at night. In a report of a special investigation into conditions in the textile industry in Massachusetts and the Southern States of the United States and America presented to the Governor and Council of Massachusetts in 1923 it is stated that in practice most of the operatives in the mills in the Southern States work fifty-five hours per week during the day time, ten hours for five days and five hours on Saturday and that then, if necessary, a night shift (including women) may be employed for ten hours each night except Saturday and Sunday.

A specific duty might be levied on the class of goods which are in the main imported from Japan. We have dealt with the general aspect of such a duty but there are further objections to it. The first of these, which rules it out in existing conditions, apart from any other consideration, is that, except of course, in regard to yarn, to machinery at present exists for working such a duty. The ascertainment of the exact counts of yarn from which a particular cloth is manufactured is a highly technical process for carrying out which an expert staff would be required. We examined the Collectors of Customs at Bombay, Madras and Calcutta, on this point and, while they are agreed that the substitution of specific ad valorem duties would be welcomed by the Customs Department for administrative reasons as it would obviate the difficulties which at present arise in regard to valuations, more especially in Calcutta, it would be extremely difficult to evolve a satisfactory scheme even for grey goods owing to the immense range of cloth which enters India. Various attempts have been made to frame such a scheme but no progress has so far been achieved. Even in regard to grey goods which, it was agreed, represented a much easier problem than bleached or coloured, printed and dyed goods, the very important class of bordered dhotis presents great complications.

A tariff on cotton textiles on these lines is already in force in other countries, of which Austria may be mentioned as an example, but a satisfactory scheme could, in our view, only be worked out by an expert with a very close knowledge both of Indian and imported piecegoods in consultation with the trade and the work would take several months. No solution of the present problem can therefore be found in this direction even if there were not objections from other points of view to the proposal. There is the

consideration, the force of which the representatives of the Millowners Association themselves admitted, that the imposition of a duty by counts would lead to legitimate substitution. The imposition of a heavy duty on counts of yarn below 30s or on cloth made therefrom, would, for example, lead to the increased import of counts of yarn just above 30s or of cloth made therefrom, and the object for which the heavier protection against the lower counts was granted would be frustrated. The only solution for this difficulty which was offered to us was the raising of the dividing line; for example, if the object was protection against cloth manufactured from counts of yarn under 30s, it was held that it would be necessary to impose a duty on all cloth made from counts of yarn under 40s. If that proved insufficient the line would then have to be placed at 50s. It will be obvious that this does not furnish a satisfactory solution of the problem. There is the further objection that, while the object of a specific duty based on counts might be simply protection against Japan, it would also affect a very large proportion of the imports from other countries, more especially those from the United Kingdom since, as we have pointed out, between 40 and 45 per cent. of the imports from that country consist of cloth of counts between 30s and 40s, so that the limited purpose for which the duty might be imposed would not be attained. In these circumstances, we are unanimously of opinion that protection to the industry cannot be given in the form of a differential duty based on counts of yarn.

The third method by which the Indian industry might be protected against unfair competition is by the imposition of an ad valorem duty on cotton manufactures from all countries other than those within the British Empire. The adoption of this course would obviate any difficulties arising from the existence of the Anglo-Japanese Convention which only secures for Japanese goods imported into India the lowest customs duties applicable to similar products of any other foreign origin, that is, imports from countries outside the British Empire. The majority of us do not consider it necessary to discuss the advisability of such a duty for three reasons. In the first place, it would, in effect, amount to Imperial Preference and thus raise broader questions of commercial policy than can be dealt with by such a Board as ours with limited terms of reference. A second and even more important consideration is that the proposals we subsequently put forward will involve a very much larger expenditure than would be provided by the imposition of a duty which would only affect a comparatively small proportion of the imports into India. The third objection is that goods of foreign origin might be imported into India through ports within the Empire such as Hongkong or Singapore.

The fourth method which the majority of us favour is, therefore, that of an addition to the present ad valorem duty of 11 per cent. on all cotton manufactures other than yarn. Such a duty has, in our view, four great advantages. In the first place, it gives protection against unfair competition. In the second, it avoids complications arising from discrimination against particular countries. In the third, it enables funds to be found to give a definite stimulus to the development of the industry on the lines we have considered desirable and, lastly, it obviates the necessity for certification of origin which would be necessary to ensure that goods of foreign origin are not passed off as goods from any part of the Empire. We discuss in chapter XII the manner in which this stimulus should be given.

The President's Minute of Dissent.

The following is the minute of dissent submitted by Mr. Noyce, the President of the Board.

I am compelled to differ from my colleagues in regard to the proposal for the grant of a bounty on the production of yarn of counts 32s and over. I do so with regret as I agree with them that a development in this direction would be to the advantage of the Bombay industry. The disagreement on this point is an illustration of the difficulties of the problems with which we have been confronted.

I am not convinced that the artificial stimulus to the development of the spinning of higher counts is either necessary or desirable and I, therefore, object to the proposed bounty on principle and because I consider that the administrative difficulties in working the scheme satisfactorily are so great as to be insuperable. My colleagues have explained that the main justification for the bounty lies in the special needs of Bombay. I hold that a long established industry in Bombay should need no stimulus at the expense of the general taxpayer to a development which is in its own interests. If the Bombay mill industry is convinced by our analysis of the present position in the report and by the arguments we have there adduced in favour of diversification of production I cannot but believe that it has the energy and initiative to embark on such a development without the stimulus of a bounty. If it is not so convinced, the small bounty proposed will be without effect.

My colleagues have explained the reasons which prevented evidence being taken as to the practicability of their proposals or the efficacy of the safeguards they suggest but I regard it as most unfortunate that it has not been possible to discuss the probable effects of their scheme with those best qualified to express an opinion on them. That the scheme might have undesirable effects is implicitly admitted by the proposal that the bounty should be limited to the production of 15 per cent of the spindles in a mill, in order not to overweight the production of the higher counts. If the production of higher counts is a desirable object in itself, it appears to me illogical to impose this limitation.

Some Objections to the Proposal.

I attach more importance than do my colleagues to the objection that the bounty would do little or nothing to assist the mills which have spinning departments only. There are fifty of these in India and as we have pointed out, they are in a worse position than those which have both spinning and weaving departments. If, as we have held, the price of Japanese yarn exercises a depressing effect on the price of Indian yarn, a bounty on the production of yarn of higher counts will do nothing to rectify matters in this respect. The depressing effect on the price of all yarn as the result of foreign competition will continue to be felt. All that will happen will be that the mills which have spinning departments only will receive a bounty or at the utmost, fifteen per cent. of their production and will be in no stronger position to withstanding foreign competition on the remaining eighty-five per cent. The bounty, therefore, will in effect, be no more than a grant in aid to reduce losses or to increase profits. The position of the spinning mills in respect of foreign competition will in no way be strengthened thereby.

The greatest problem before the Bombay mill industry, in my view, is that presented by the increasing competition of mills in Ahmedabad and

other up-country centres. Of the 25·6 million pounds of yarn over 30s spun in Indian mills in 1925-26, only 8·4 million pounds or less than one-third were produced in Bombay. The corresponding figures for the first six months of 1926-27 were 19·39 million pounds and 6·7 million pounds respectively. It would thus seem that the up-country mills, as a whole, are at least as well equipped as Bombay to take advantage of the bounty and that it will not improve the position of the Bombay mills relative to that of those in other centres.

My colleagues have, in my view, dealt too cursorily with the difficulties presented by the insufficiency of raw material in India itself suitable for spinning counts of over 30s. We have stated in our Report the extent to which cotton suitable for such counts is available in India and have pointed out that the Bombay industry, for whose benefit the subsidy is mainly proposed, is at no special advantage in respect of it. It is, on the other hand, at some disadvantage as compared with Ahmedabad in respect of the Broach crop and at a distinct disadvantage as compared with the mills in Southern India in respect of the Cambodia crop. Any development in the direction of spinning higher counts in Bombay must, therefore mean an increased use of American and African cotton. However desirable this may be in the interest of the Bombay mill industry, I consider it questionable whether it is desirable that it should be encouraged by the grant of a bounty which would be met, in part, by the cultivator of Indian cotton in the form of an increase in duty on such imported cloth as he may use.

I attach considerable importance to the objection that the proposed bounty would deprive the millowner, who has already embarked on the spinning of higher counts, of much of the advantage he has derived or may derive from so doing. There are already a few mills which are spinning higher counts on a much larger scale than is contemplated by the proposed scheme. The proportion in one successful upcountry mill of spindles employed on counts above 30s is as high as four-sevenths. While the managing agents of such mills will be in a position to obtain a bounty of fifteen per cent. of their production they will in regard to the remainder of it find themselves in competition with the subsidised product of their own and other mills.

The effect of the subsidy would be very unequal. Certain centres such as Bombay, Ahmedabad, Madras and Madurai would be in a position to take greater advantage of it than others such as Cawnpore and Delhi. It would also work unequally as between mills in the same centre. Managing agents who control large mills or groups of mills would be able to take greater advantage of it than those who control smaller mills as they would be in a better position to effect the changes which would be necessitated by the transition to higher counts and to work the full percentage of spindles necessary to earn the bounty. My colleagues consider that inequality of advantage is inseparable from any scheme of protection, whether in the form of an import duty or of a bounty. Even if that is admitted, I am still of opinion that direct State aid which works to the advantage of a section of an industry only is undesirable.

The grant of the proposed bounty would accentuate the tendency on the part of Indian mills to spin higher counts of yarn than the quality of the cotton warrants, a tendency which was the subject of unfavourable comment in evidence we received. The result is inferior yarn and cloth and dis-

contented labour. Mills at present spinning 30s. warp yarn would be tempted to spin 32s. or even 34s. yarn without altering their mixing.

The bounty would lead to inefficient working. The smallest efficient unit in a mill is one preparation and fifteen per cent of the spindles are not sufficient to deal with the output of this where the plant consists of 30,000 spindles or less. The result would, therefore, be that the smaller mills would run a proportion only of a preparation on the cotton required for the spinning of higher counts and the balance, between the two processes would be upset.

If the bounty is granted on the basis of the output of fifteen per cent spindles used for spinning counts of 32s. and over, the result would be to encourage the spinning of counts of or very near 32s. as it would be on these that the maximum amount of the bounty could be earned at the minimum cost of production. If the bounty is granted on the average number of spindles, there is no incentive to securing the maximum production per spindle.

Administrative Difficulties.

As I have stated, the difficulties in the way of administering the subsidy appear to be insuperable. A grave objection to the subsidy, in my view, is the inquisitorial inspections which would be necessary to ensure that the production and counts of yarn were as stated. My colleagues have referred to the fact that a similar and even more elaborate scheme is in force in Queensland which is so far as I am aware, the only country in which an attempt has been made to subsidise the cotton textile industry in the manner proposed. The cotton textile industry in Queensland is an entirely new industry and the number of mills is very small indeed, so small that the number of spindles in them is not shown separately in any return of the world's spindles which I have been able to procure. There is further an important difference between the scheme which is in force in Queensland and that proposed for India. The bounty in Queensland is given on a graduated scale from the lowest counts upwards. There is thus no inducement to a mill to return higher counts than those actually spun in order to earn the bounty.

Increase of Import Duty on Cotton Manufactures.

My colleagues have proposed the imposition of an additional four per cent duty on all imports of cotton manufactures, other than yarn, mainly in order to provide the funds required to stimulate the production of yarn of higher counts. As I do not agree that such a stimulus is necessary or desirable, it follows that I am unable to agree that an all-round increase in the present eleven per cent duty can be justified. The objections to a substantial all-round increase in that duty which have been stated at length in our report appear to me to apply whatever the amount of the proposed addition. It is, therefore, unnecessary to discuss at any length the secondary argument advanced in favour of a general increase in the duty, namely, that it would afford relief against the maladjustment between costs of production and falling prices. My colleagues consider that the other reasons they advance for a small all-round increase in the duty are strengthened by the undoubted temporary handicap imposed on the industry by the stabilisation of the rupee at 1s. 6d. which has rendered the problem presented by the disparity between prices and wages more acute. I would merely

point out that it has not been established that the problem presented by the disparity between prices and wages is pronounced except in Bombay our examination of the cost of production statements as well as much evidence adduced before us has shown that there is no respect in which the disadvantages of Bombay as compared with other centres are more apparent than in its high labour costs and it has not been shown that the present level of wages is an undue burden on the industry in any centre other than Bombay. Even if the estimate of the direct disadvantage to the industry, due to the stabilisation of the rupee at 1s. 6d. as from 4 to 6 per cent according to the price of cotton is accepted, it must, I consider, be held that the greater part of this has been rectified by the abolition of the excise duty. It is unnecessary to labour this point. The connection between the level of wages in Bombay and the abolition of the excise duty is sufficiently obvious from the fact that the attempt to reduce wages in Bombay at the end of 1925 was abandoned when the excise duty was abolished.

No all round increase in the duty affords any solution to the main problem before the Bombay industry, that of meeting the increasing competition of mills in other centres. The complexity of the problems with which we have been confronted has been very greatly enhanced by the disparity between the conditions in Bombay and other centres. We have pointed out, in Chapter III, that the demand for protection has not been so earnestly pressed from other centres as it has been from Bombay. It is, I think, unquestionable that there would have been no demand for protection at all had it not been for the depression in Bombay. If the demand for protection in any form is admitted, as we have admitted it in the case of unfair foreign competition, the problem is therefore to devise a measure of protection which will assist the Bombay industry, will impose the minimum burden on the consumer and will not, at the same time, give the industry in other centres assistance of which it does not really stand in need. The problem is an insoluble one, but the nearest approach to its solution is provided by protection against unfair foreign competition, the effect of which on prices is felt by the whole industry though the direct effect is much more severely felt in Bombay than it is elsewhere. We are agreed that an industry may legitimately ask for protection against unfair foreign competition beyond what is accorded to it by any existing revenue duty. The unfair competition in the present instances arises from inferior labour conditions and the measure of protection should, therefore, be that which is required to offset the advantages derived from these. We have estimated the advantages derived by the Japanese industry from double-shift working at 4 per cent on the actual cost of manufacture of yarn and cloth. We have further given figures which show that, if a reasonable return on capital is included in the cost of production, this advantage, owing to the fact that the economies secured by double-shift working are obtained on twice the output, is increased to about 10 per cent for yarn and 13 per cent for cloth. I do not attach the same importance to these figures as do my colleagues. It appears to me impossible to assess quantitatively the advantages derived by the Japanese industry in this respect. Further, the addition of a reasonable return on capital to actual manufacturing costs introduces problems of the utmost complexity in regard to the correct basis which should be adopted for the capitalisation of an industry which

has been so long established as the cotton textile industry. The basis of the calculations, the results of which are given above, is present replacement values, but it appears to me that there is insufficient justification for adopting this basis for the industry in Bombay where, owing to municipal restrictions, no new mills can be erected. Whatever view may be taken in regard to this, I hold that the maximum duty which can be justified is one which will offset the actual advantage per pound of yarn or per pound of cloth manufactured, derived from double shift working in Japan. This, it is most important to note, is all that was asked for in this respect by the Bombay mill industry.

Differential Duty Suggested.

I, therefore, recommend the imposition of a differential duty of 4 per cent on all cotton manufactures imported into India from Japan, to be imposed at the earliest date from which such a duty can be imposed with reference to the terms of the Anglo-Japanese Convention of 1905. For the reasons given by my colleagues, I further recommend that this should be imposed until the end of the period for which they have recommended the additional general duty, that is until the end of the financial year 1929-30. I realise, as fully as they do, the objections to imposing an enhanced duty on yarn, even though it is a differential duty against one country only, but I can see no logical ground for distinction between yarn and cloth and would point out that the argument they have advanced in support of their proposal for an all round increase in the duty on cloth, namely that the recent heavy fall in the price of cotton should render its effect on the consumer imperceptible, applies equally to yarn. It may be held that a differential duty of four per cent is so small that it will give the industry no material assistance in meeting unfair competition. It must be remembered that it is in addition to an existing duty of five per cent. on yarn and of eleven per cent. on cloth. The history of the Indian cotton textile industry, moreover, furnishes convincing proof that a duty of four per cent has never been regarded as inappreciable.

My colleagues have pointed out that their proposal obviates the disadvantage which would arise from the fact that the imposition of a differential duty against Japanese imports would necessitate the abrogation of the Anglo-Japanese Convention of 1905 and that this might lead to retaliation against exports from India to Japan. It has also been pointed out in the report that the difficulties arising from the existence of the Anglo-Japanese Convention could be obviated, and the industry could at the same time be protected against unfair competition, without the imposition of a general duty, if an additional duty were imposed on cotton manufactures from all countries outside the British Empire, the imports of which from countries other than Japan are very small. My colleagues hold that this would, in effect, amount to Imperial Preference and thus raise broader questions of commercial policy than can be dealt with by such a Board as ours. I am in entire agreement with them on this point. Our concern is with the facts of the industry before us. On those facts it has been established that the industry is suffering from unfair competition but that the extent of that competition does not justify an increase in the present level of duty beyond four per cent. We are agreed in holding that a duty of this amount would give the industry an appreciable measure of protection. I am at one with my colleagues in holding that it is not for us to express

an opinion whether the disadvantages to the cotton textile industry, arising from unfair foreign competition, outweigh the advantages which accrue from the existence of the Anglo-Japanese Convention, especially in view of the fact that, as six months' notice has to be given of intention to terminate it, more than six months of the period of two and a half-years during which conditions of labour in Japan will, so far as can at present be foreseen, remain sufficiently inferior to those in India to justify a differential duty must necessarily elapse before such a duty can be imposed. Nor is it for us to express an opinion whether the object aimed at, which is the protection of the industry against unfair foreign competition, could better be secured by the imposition of an additional duty on cotton manufactures from countries outside the British Empire. It must, however, be pointed out that the latter course would have the advantage that only a very small additional proportion of the import would be affected. The imports of yarn from countries outside the British Empire and Japan in 1925-26 amounted to 2'1 million pounds or 4 per cent of the total, and those of piece-goods to 56 million yards or 3'5 per cent of the total. It would further enable immediate assistance to be given to the industry whereas, in any event, no differential duty could be imposed against Japan for a period of six months and possibly considerably longer. It would also avoid the complication which arises from the fact that there are other countries such as China and the United States of America in which conditions of labour in respect of the employment of female labour at night are inferior to those in India and which should, therefore, logically be included in any scheme of differential duties imposed on this ground. The competition of these countries is not severe but the figures we have given in paragraph 44 show that, when stable conditions are restored in China, competition from that country may easily become so. In this connection, it cannot be overlooked that there are 45 mills in China which are owned by Japanese, so that a differential duty against Japan might well lead to increased imports from China.

The proposal submitted by my colleagues have the advantage over that submitted above than they more that provide the funds required for the expenditure involved by recommendations, other than that for the grant of the bounty, which have my entire support. An additional duty of four per cent on cotton manufactures from Japan would yield about Rs. 50 lakhs on the basis of the figures for 1925-26. An additional duty against Japan would undoubtedly lead to a fall in this figure, and, as the estimated cost of the remission of the duty on machinery and mill stores alone is Rs. 50 lakhs, there would thus be some loss of revenue under this head as well as expenditure on carrying out the other proposals enumerated in paragraph 107 of the Report which would have to be met from other sources.

India in Parliament.

Jan.—June 1927.

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Indian Debate in the Lords

HOUSE OF LORDS—30TH MARCH 1937.

In the House of Lords on March 30 Lord OLIVIER asked the Secretary of State for India to give the House information with regard to matters of immediate interest in public affairs in India, and in particular with regard to the prospects of any steps being taken at an early date in preparation for the consideration of further constitutional change; also as to the agreement recently arrived at between the Government of the Union of South Africa and the Government of India with regard to the position of Indians in the Union, as to the continued detention of persons arrested under the Bengal Ordinance of 1924, and as to the policy of the Government of India in regard to the rating of the rupee; and moved for papers.

He noticed that in a recent speech the noble earl had said it was yet too early for him to pronounce on the success or failure of the present Constitution. He (Lord Olivier) did not know that it would ever be early enough for the noble Earl to express an opinion on the success or failure of the present Constitution in India, but he had no doubt that he had formed in his own mind an opinion on the success or failure of the very well-intentioned and sincerely conceived constitutional experiment in that Dependency. Although that Constitution was good enough as a stop-gap, it was one which the longer it worked the less satisfaction it gave, and, seeing that they had now arrived at the third electoral period of the probationary period of the Constitution, it behoved the Government to consider what was to be the next step in the direction of possible modification of the Constitution.

The noble earl in the same speech had gone on to say that if the constitutional experiment was not in every respect happily conceived, it did equip Indians to show that in concert with ourselves they could frame a better Constitution, and we could contribute our part to the framing of that better Constitution. It was extremely difficult to understand what exactly was in the noble Earl's mind. Had he in view any project affording Indians by invitation or otherwise an opportunity of showing that they could frame, in concert, a better Constitution? If that was the right interpretation of the noble lord's observations it was a matter of very great importance.

The Earl of Birkenhead, Secretary of State for India.—I said in concert with ourselves.

Alternative To A Statutory Commission.

Lord Olivier said that the working of the present Constitution in India gave no opportunity except by the appointment of a Special Committee of the Legislature to indulge in Constitution-making. That duty was by statute entrusted to the Imperial Parliament after the appointment of a Statutory Commission. What he wished to elicit from the noble Earl was whether there was any alternative to a Statutory Commission. The noble Earl had said further in his speech that the events of the last two months provided some encouragement that the saner sections of opinion in India were realizing that we were asking for nothing better than to continue a sympathetic and friendly partnership. He entirely agreed that a much saner and much more promising method was being pursued as far as one could judge at present both in the Legislative Assembly and elsewhere towards the possibility of working representative institutions in India. It could not be said that any sort of factious or reasonable opposition or abuse of the form of the House had been indulged in by any party during the recent Sessions of the Legislative Assembly, so far as he had been able to follow them. But the expressions of the noble earl were likely to be interpreted in India as offering rather less than Indians thought was their due. In the memorandum which the

Government had issued on China they stated that the time had come for the powers to recognize that Chinese nationalism preferred to manage its own affairs and not to have them managed under the tutelage, however wisely devised, of the European powers. That was very much on the lines of what the Indian Nationalist Party were striving for. It would be a mistake to suppose that the smoothness with which things had gone in the Legislative Council or Assembly was to be taken as any adumbration of moderation of the unanimous demand of all parties, whether Moslem, Hindu, or Swarajist, for a progressive advance towards the establishment of a self-governing Dominion under the Crown.

Desire for a Concordat.

The leaders and more intelligent spokesmen of both the Moslem and Hindu Parties desired to come to some concordat in order that constitutional progress might be made on a firm basis. In the last few days a real and genuine movement had been seen in the direction of establishing a basis for settling the vexed question how the rights of minorities were to be dealt with. He asked whether there was any prospect of any steps being taken in preparation for the consideration of further constitutional change. Time was running out and an enormous amount of preliminary preparation would be needed. The agreement recently arrived at between the South African Government and the Government of India with regard to the position of Indians in the Union seemed to him reasonable and fair to both parties, and he considered it an Imperial event of the greatest promise. The continued detention of persons arrested under the Bengal Ordinance of 1924 was a source of continual trouble in India. Did the Secretary for India think it was possible to go on very much longer with some of these cases, exercising a continuous preventive detention, or was there any hope that within a short period the present operations of the Ordinance would practically expire by exhaustion?

There had been a vote in the Legislative Assembly on the proposal to stabilize the rupee at 1s. 6d. when the Government had obtained a small majority. The effect of a ratio of 1s. 6d. as distinct from one of 1s. 4d. was always to favour the importer of goods from England into India and to penalize the producer in India of goods that had to be sold in that country or sent to England. There was an immense amount of feeling in India that the general interests of the Indian producer had been sacrificed to the financial interests of the Government.

The SECRETARY OF STATE for India (the Earl of BIRKENHEAD): My Lords, I am grateful to the noble Lord for affording me this opportunity of attempting to give your Lordships a survey of the present situation in India. Some nine months have elapsed since I last reviewed in general Indian affairs and, although I am well aware that many of your Lordships follow with attentive and instructed interest such accounts—and they are not inconsiderable nowadays—as the Press provided of day to day happenings in India, I think that it may be of advantage, even to those of your Lordships who have had personal experience of the problems of Indian politics and administration and are consequently well qualified to assign their relative values to the tendencies indicated by events, if I attempt to place the component elements of the somewhat bewildering panorama of this large fraction of the Empire in the perspective which, from my reading of contemporary history and from the large volume of information which it is my daily duty to receive, appears to me to be just.

The noble Lord has asked me to deal specifically with a number of somewhat diverse points, all I admit of importance; and I propose endeavour to include them all within my survey, if not necessary in the order which he adopted. Let me begin by reminding your Lordships that, since I last addressed you, India has passed through the third General Election of the 1919 Constitution. No very detailed information has yet reached me of the number of voters who went to the polls but I can at least say that there was no dearth of candidates of ability, that the polls were conducted without disorder, and that the electors showed, on the whole, a distinctly greater interest in the exercise of their suffrages than on the two previous occasions. How far this increased interest was due to other causes than a realisation of the issues at stake and of the

political philosophy underlying the use of a vote, I cannot even guess. But it would be foolish to pretend that electoral politics in India have yet emerged in general beyond the individual and personal appeal, or that Party politics, as we conceive them, are not still a conception of the future. It is true that Party labels are there, and that within the Legislatures groups have formed and reformed, named and renamed themselves, coalesced and disintegrated, in almost Kaleidoscopic complexity. I can, however, discern no sharp line of principle dividing and distinguishing them, nor perhaps can this will be otherwise at the present stage of constitutional development.

One Broad Issue.

But with due regard to these limitations, it is none the less true to say that there was on the occasion of these last Elections one broad issue which confronted the electors—namely, whether their choice should fall upon a candidate who professed, or upon one who repudiated, the main principle associated with the Party until recently known as Swarajists. As Your Lordships are aware, the Election of 1923 brought into the forefront of Indian politics a conception of statesmanship, the appeal of which to intelligent men I have more than once expressed my inability to understand. The noble Lord, my predecessor, has several times in speech and writing claimed that the position attained by the followers of the Swarajist creed in most of the Councils as the result of the Elections of 1923 entitle them to be regarded and treated as the Constitutional Opposition. Events have in my judgment proved this claim to be misconceived.

This is not the occasion for a philosophic examination of the theoretic bases of Party government. But I imagine that none of your Lordships would dissent from the position that, although, no doubt, the main function of an Opposition is to oppose, the very conception of Government and Opposition pre-supposes acceptance by both alike of the framework of Constitution within which they function and have their being. Without this postulate the forms of Parliamentary government are empty and meaningless, and it was the denial of this postulate which, as I understand it, formed the bedrock of the Swarajist creeds. Their policy was to endeavour "by uniform continuous and consistent obstruction within the Councils"—this is not my phrase but the 'ipsisima verba' of the Party's manifesto of 1923—"to make government through the Councils impossible." And why? Because Parliament decided in 1919 that the bold step forward then to be taken towards responsible government could not for the time being be more than a stage in the advance and should not consummate a complete abdication of authority on the part of this country. I am not so rash as to attempt to predict from the present composition of the Councils the probable course of their actions during the next three years, but I think it is not unduly optimistic to discern grounds for hope that the sterile and reactionary character of the creed of the rigid Swarajist has become apparent to Indian intelligence generally, and indeed to not a few of its former exponents.

A Change of Name.

I do not deny that the last Session of the Indian National Congress decided by a majority to affirm the past policy of the Swarajist Party, but it is instructive to observe that the Swarajist Party has now discarded its title in favour of the title of "Congress party," thereby perhaps advertising (what had become during the last few years increasingly obvious) that the Congress, which in the past has numbered within its fold practically every Indian of character and enlightenment, is no longer entitled to arrogate to itself the description "National," for it is an open secret that the decision to decline the responsibility of Ministerial office in the Provinces where the Swarajists were in sufficient strength to warrant an invitation to assume it, or to support the Ministry formed from other Parties where this was not the case, was received in more than one Province with great searching of heart by the Party's local adherents; while it is no secret at all, but a plain fact, that those who profess and call themselves Swarajists have been returned in diminished numbers to nearly every Council, and that most of the so-called Responsivists and Independents who are now to be

found in appreciable numbers in all the Councils are persons who, having hitherto marched under the Swarajists banner, have declined any longer to bind themselves to a programme of barren and naked obstruction.

One tangible effect of this situation is that in two Provinces—Bengal and the Central Provinces—where, after the Elections of 1923, the Swarajists had been returned in sufficient strength to put a stop to the machinery provided by the Act of 1919 for transferring to the control of Ministers responsible to the Councils an important section of the administration, the Governors have now found it possible to appoint a Ministry, and in both places there are distinct indications that the Ministry can count on the requisite Parliamentary support. Your Lordships have no doubt observed that about ten days ago a formal vote of "No confidence" in the Bengal Ministry was rejected by a decisive majority.

Hindu-Muslim Tension.

Here, my Lords, the peculiar difficulties which have beset the Governor of Bengal in finding Hindu and Moslem leaders willing to co-operate, bring me to a topic with which, at the noble Lord's especial request, I dealt in some detail on the last occasion I answered a similar question—the rivalry and antagonism of Hindu and Moslem. I wish that I could report to your Lordships that this matter gives ground for less anxiety, and for less constant watchfulness on the part of the authorities responsible for the preservation of peace and order, than was the case when I spoke here nine months ago. Unfortunately I can make no such report, though I am glad to think that the situation is in some places less acute than it was last summer. Only three weeks ago bigoted intolerance—and I characterise impartially in those terms the attitude of those who rigidly insist on the playing of music at times and in places which give ground for offence, and of those who no less rigidly object to it in circumstances when objection has not in the past been made—bigoted intolerance, I say, led to a clash between large parties of Hindus and Moslems at a remote village in Bengal, which the police were forced, with no small loss of life, to end by the use of firearms. Though there have not been of late disorders on a scale comparable with those which disgraced the streets of Calcutta in the spring and summer of last year, the instance I have cited is only one of four serious collisions which have occurred at various places within the last six months.

Almost more disquieting to my mind than these crude manifestations of mob intolerance are the jealousies and suspicions of Hindu and of Moslem leaders in the field of politics, for if the leaders are incapable, or not desirous, of subordinating sectarianism to nationalism, the prospects of growth among their less enlightened followers of that spirit of reasonable accommodation which is the life-blood of political progress, can hardly be regarded as encouraging. I have no desire to dilate again upon this problem—a problem the solution of which can be found by no one but Indians themselves—but I must be permitted to observe that until those who contend that India is at this moment the rightful and competent arbiter of her own destiny can lay the spectre of sectarian violence, their contention must necessarily fail to appeal with conviction to unprejudiced minds. Whether the discussions to which the noble Lord referred, which were reported a few days ago from Delhi as having been initiated by certain Mahomedan Leaders, as to the feasibility of surrendering the separate Moslem electorates which form part of the present political structure, and as to the conditions upon which this change might be considered, will come to fruition and prove, as they well might, to have in them the seeds of a solvent for this "malaise," I have little means of judging—no more than any one of your Lordships—but I shall watch with attention the development of this most interesting indication of the moment of Indian political thought.

A Promising Situation.

I should, however, be giving a false impression if my observations hitherto have led your Lordships to suppose that I see only shadows on the picture. I say, though not without some hesitation, that the political outlook as the result of the last elections aided by the fortunate outcome, to which the noble Lord very generously referred, of the recent negotiations between representatives of the South

African and Indian Governments, on which I shall have something to say in a moment; is one of no small promise. I shall not go further than that somewhat guarded utterance takes me. Indeed, I am conscious that some not inexperienced observer would view with unbelief even that degree of optimism. I have followed, with the close attention I was bound to give to it, the Session of the newly-elected Legislative Assembly which has just closed, and in specially mentioning the Assembly I must not be taken to have overlooked the proceedings of the other, and not less important Chamber of the Indian Legislature: it is, however, inevitable that one's attention at this juncture should be chiefly directed to that body which represents the more recent choice of its constituents, and which by the nature of its constitution, should indicate more directly the trend of the general mass of political opinion.

The impressions I have gained from this scrutiny I should find it difficult to indicate fully within the time I am entitled to expect your Lordships' attention. But let me generalise by saying that, while I admit that the tone of the debates has been, on the whole, free from bitterness; that relations between members of the Government of India and the Opposition have been friendly both inside and outside the House; and while, finally, the Government of India has been able to find, sometimes by extremely narrow majorities, sufficient support for their considered policies to secure the defeat of their opponents upon issues of first-class importance, yet I cannot but feel that the position, even to-day, lacks stability. I have said before, and I say it again now, that by the co-operation which I have before requested I do not mean servile acceptance of any and every proposition that the Government think fit to submit to the scrutiny of the debate and to the verdict of the Division List. As the noble Viscount, Lord Chelmsford, found occasion truly to observe on a memorable occasion to the Indian Legislature: "The day of autocracy is past" in India.

Responsive Co-Operation.

Nor am I so foolish as to waste endeavour to find a point of approach to those who have succeeded in persuading themselves that they still continue to serve the interests of their country by putting into practice the orthodox Congress creed. My doubts arise from the difficulty the past Session has presented of distinguishing by the test of speech and vote between the hide-bound adherents of that creed and those late professors of it who claim to have been returned to the present Assembly as followers of their own individual consciences. I have already observed that Indian politics in the mass are still largely, perhaps inevitably, an affair of personalities, but I am loath to believe that those men who have been judged worthy by their fellow countrymen to represent their views in the Central Legislature can carry independence of judgment and action only to the extent of repudiating the colours of a particular Leader while echoing his sentiments and following him on every important occasion into the Division Lobby. Still, despite such discouragements, I maintain that I do see clearer signs, and from a wider area, of that "responsive co-operation" (to borrow the phraseology of Indian politicians themselves) between British and Indian which is indispensably needed to enable the best mind of both races to think out without prejudice, the testing problems confronting them, and failing which I myself can see no solid hope of progress.

The Bengal Detenues.

I turn now to the second of the topics upon which the noble Lord invited my observations—the continued detention in goal, or under restraint of various degrees, of a number of persons in the Bengal Presidency. I do not intend on the present occasion to examine the grounds upon which the Government of which the noble Lord was a member decided to authorise the noble Marquess, the late Viceroy, to enact the Bengal Criminal Law Amendment Ordinance of October 1924. On an earlier occasion I have dealt fully with that matter in your Lordship's House, and have made it plain—as was, indeed, apparent from my own decision a few months later to support the certification of the Act of 1925—that, whatever my "prima facie" prejudice against legislation of this character (and I

have never either disguised or dissembled it.) I considered that the action of His Majesty's late Government and of the Government of India in assuming and using these unusual and drastic powers was completely justified.

I shall assume, therefore, for my present purpose a general acceptance of the decisive fact that in 1924 there was existing, and had existed for some years in Bengal, an organised conspiracy for the commission of revolutionary crime : I shall assume a further general acceptance of the fact that the authorities responsible for the preservation of life and the maintenance of order in the Bengal Presidency found themselves unable to accept responsibility for the performance of their task unless they were enabled by process of law to deprive the known leaders and organisers of this conspiracy of the freedom to pursue their criminal activities, by segregating them alike from their fellows and from their potential victims. The noble Lord does not, indeed he cannot, with due regard to his personal responsibility in this matter, question these premises. He has put his case with great moderation and it is my duty to give him as far as I can an answer alike full and candid.

I am asked, and reasonably asked, what is to be the end of this policy of detention ? Are we, with our high judicial traditions, to contemplate the indefinite detention in gaol, or even under less irksome forms of restraint, of a large number of the educated youth of Bengal ? Let me assure your Lordships that, pursuant to the pledge which I gave to the best part of that year I have been putting these questions insistently to myself and for several months I have been in constant consultation with the Government of India as to the answer we are to give, having regard to our responsibilities and those of the Bengal Government for the protection of the life and property of the inhabitants of the Province.

Your Lordships will not expect me to disclose to you the details of these discussions, but, in view of the admitted conditions at the time when these powers of detention were last assumed, the question at issue really resolves itself into this : Is the situation which admittedly necessitated the arrest of a number of persons in the autumn of 1924 in order to prevent the commission of terrorist outrages, now, in the spring of 1927, such that the release of all those persons can be contemplated with equanimity or allowed with safety ? In my judgment, after the most careful examination of which I am capable, even of individual cases, the release at this moment of all these persons from the restraint under which many of them have lain for a long period would be attended by a risk of the recrudescence of murderous outrages for which I will not assume responsibility. And in making this assertion I claim that I am not easily deterred from a course otherwise proper because that course is attended by risks. But this does not mean that I contemplate a policy of indefinite detention and that I return a blank non possumus to the noble Lord's appeal.

The New Policy.

Let me state in some detail and in the plainest terms I can the policy at which, in consultation with myself, the Bengal Government and the Government of India have now arrived and which is now guiding and will continue to guide their actions. In order to do so I propose to read to your Lordships a statement not long, which was made publicly, with my declared concurrence, on behalf of the Government of India last week. It is as follows :

"The policy of the Government regarding those who have been detained under Regulation 3, or the Bengal Criminal Law Amendment Act, in connection with the Bengal revolutionary conspiracy, has been and still is that the detention of no man should last longer than is essential in the interests of the public safety. The Government are convinced that a terrorist conspiracy is still in active existence, and that consequently it is not possible to take steps in the direction of the release of those about whom there is no reasonable doubt that they would utilise their liberty to resume their previous activities. They are, however, anxious to pursue as quickly as possible the gradual release of individuals whose conduct gives reason for hoping that they will not abuse their liberty. The Bengal Criminal Law Amendment Act provides for a considerable degree of elasticity in the treatment of those who are dealt with under it and

enable the Government to transfer from gaol to less strict forms of supervision persons whose past record and present conduct would not justify their unconditional release. Individuals of this class may be directed to reside in a particular village or in their own home. The practical results of transferring men in this manner to village or home domicile are carefully watched, and the Government are enabled to observe whether action taken is justified by events, and this to determine the possibility of the further extension of such action."

The noble Lord asked me upon this point a particular question. He said, when you are releasing an individual upon the giving of an assurance, what is the use of examining his past record?

Lord Olivier: I put it the other way round. If you are only going to release a person when you are satisfied by the past record that he is not dangerous, what is the use of asking for a promise?

The Earl of Birkenhead: You form your judgment upon a combination of both considerations. The assurance for the future may possess a value quite different in the case of a man whose past record is good. Supposing for fourteen years a man's record has been one of revolutionary violence, it would naturally be the duty of the authorities to examine in a very different spirit any assurance that he might give for the future. I cannot really see any inconsistency in the double test which has occasioned the anxiety of the noble Lord. However, it is proper that I should show what has been done in the direction of discriminating the treatment of detainees. I may mention that out of 171 persons dealt with under the Bengal Criminal Law Amendment Act from the beginning 75 have been placed in village domicile and 13 in home domicile, while 26 have been released. The number now remaining in gaol of this class is 54. Of those arrested under Regulation 3, 31 were subsequently transferred to the Bengal Criminal Law Amendment Act and are included in the figures just given. Sixteen at present remain in gaol under the Regulation.

"Village and Home Domicile."

In the last two and a half months the Government of Bengal have issued orders for the transfer of 19 detainees from gaol to village or home domicile under the Act and have released seven. The Government of India have also had under review the case of those who are still detained under Regulation 3. They are considering the case of one of these State prisoners on medical ground. In respect of four others they are satisfied that detention in gaol is no longer necessary and they are, therefore, cancelling the warrants under Regulation 3 so that action may be made to bring them under the Bengal Criminal Law Amendment Act with a view to their transfer to village domicile. It must be understood that the practical results of this action, as exhibited in the conduct of the men thus placed in village or home domicile, require the constant attention of the Government. If it is ascertained that such men are reverting to terrorist conspiracy the Government will not hesitate to deal with those men under their powers. That is our policy at which, as I have said, we have arrived after the fullest and most careful consideration of the matter in all its aspects, and that is my answer to the noble Lord's question on the policy involved.

I have reminded your Lordships that the exercise of powers of this kind is not, unhappily, a new feature in Indian administration. It was necessary, for precisely the same reasons as those now operating, to intern a number of persons during the War. Let me also remind your Lordships that in 1920 a general amnesty of all such persons was ordered in the hope that it would result in the abandonment by them of their dangerous activities. The hope proved fallacious; the conspiracy was revived and a series of outrages followed which was not checked until resort was made to the present legislation. Even now—apart altogether from the information in the possession of the Bengal Government—it must be sufficiently apparent even to the uninstructed that conspiracy is still at work. No longer ago than in January of this year two men were arrested in the course of house-searches in Calcutta in a room which contained revolvers, ammunition and thirteen cases of bombs, while within the previous thirteen months two other discoveries of a similar but more elaborate nature had been made. I

tell your Lordships plainly that so long as the Bengal Government and the Government of India continue to advise me that the release from restraint of any given individual is likely on reasonable grounds of probability to lead to further outrage, I shall not attempt to set aside their judgment. I shall, on the contrary, support them.

Indians in S. Africa.

I turn now to a wholly unrelated subject—the outcome of the recent negotiations on the subject of Indians in South Africa. The noble Lord has referred to the Agreement recently reached between the Union Government and the Government of India regarding the position of Indians in South Africa. I am placing in the library Two Papers, one containing an announcement made by the Government of India last month regarding the results of the Conference, and the other, a more detailed summary of the conclusions reached, which was laid before the Indian Legislature. I do not propose to review in detail the contents of the latter document, but merely to describe in the broadest outline the results attained. The two Governments have agreed to co-operate in a scheme of assisted emigration from South Africa; the restrictive legislation introduced last year will not be proceeded with, and an agent of the Government of India will be appointed in South Africa. I am not able to give the noble Lord with exactitude the information he asked for as to the stage which the arrangements have reached, but the matter is now the subject of discussion. Further, while the right of South Africa to maintain western standards of life has been recognised, the principle has been affirmed that Indians in South Africa who are prepared to conform to such standards should be enabled to do so.

I have described the results of the Conference in the most general terms and with a deliberate economy of language, for I am above all things anxious to give no colour to the belief that one side or the other has gained an advantage. There is no question of this. The settlement, which a year ago seemed impossible, is an honourable one which does credit to both Governments, and was only brought about by the spirit of mutual forbearance and goodwill with which the two Delegations approached this most difficult question and by the resourcefulness applied to the discovery of its solution. Great credit is due to Sir Mahomed Habibulla and to the other members of the Indian Delegation, and I would like, if I may, to pay a sincere tribute to the wisdom and the high statesmanship of General Hertog and his colleagues in very difficult circumstances. But apart from the many concrete difficulties that have been solved by these negotiations, the Agreement has a higher value in that it marks in my judgment the beginning of a period of cordial co-operation and of more intimate and friendly relations between the two Governments. Each Government has come to appreciate the difficulties of the other; mistrust and suspicion have been replaced by understanding and goodwill, and the complete change of atmosphere that has been brought about is the best augury for the harmonious working of the Agreement and the adjustment of any difficulties that may arise in future.

The Rating of the Rupee.

Another matter on which the noble Lord seeks information is the policy of the Govt. of India in relation to the rating of the rupee. I should not have thought that there could be any misconception on this point. A Royal Commission, of which the majority of the members were representative of Indian interests, finding that the de facto rate of exchange had been 1s. 6d. for some time and that a substantial adjustment of prices to this ratio had been attained, recommended, with one dissentient, that in the best interests of India the rupee should be stabilised in relation to gold at that rate. This recommendation was accepted by Government in advance of the other recommendations and a Bill designed to effect the change was introduced into the Assembly in August last. In deference, however, to the not unreasonable desire that the recommendations of the Commission should be dealt with as a whole, consideration of this measure was postponed until the present session.

In the interval a further adjustment of prices to the 1s. 6d. rate has strengthened the case for stabilisation at this ratio, but at the same time an agitation arose

in India in favour of a reversion to the old rate of 1st. 4d. Doubts have been expressed as to the reality of this agitation. I cannot give a definite opinion. It has been suggested that the movement was largely political. We need not, however, happily engage upon these speculations, for the Legislative Assembly, by a narrow majority no doubt, has accepted the Commission's recommendation. That this decision was wise there can be no doubt in instructed opinion, and I am convinced that any other decision would have been in the worst interests of India, involving as it would have done, the long and painful process of readjustment of prices and wages to an entirely new level. As it is, stability of exchange has been attained and this cannot fail to benefit Indian finance and Indian commerce.

Of the other recommendations of the Commission—notably three relating to the establishment of a gold bullion standard and the creation of a Reserve Bank, I need only say that following the announcement which I made to your Lordships last autumn a Bill has been introduced which will, after reference to a Select Committee, be considered later in the year. This Bill is a complicated one and will require more careful consideration but pending its examination by the Indian Legislature your Lordships will hardly expect me to review its provisions.

The Indian Budget.

I cannot pass from this branch of my subject without making a brief reference to the budget. I do not propose to inflict upon the House a wearisome review of the Revenue and Expenditure of the present and the coming year. I content myself rather with stating the gratifying fact that for the fourth year in succession the revised estimates disclose a substantial surplus. This surplus amounts to nearly three crores. In the coming year, on the existing basis of taxation and allowing for Provincial contributions, a surplus of more 3½ crores is anticipated. But although these successive surpluses, earned as they have been by the most rigid economy, afford evidence of the soundness of Indian finance, they are particularly welcome as they make it possible to give effect to the policy of progressively extinguishing Provincial contributions. Few realise how injurious to the chances of the Constitution has been the burden of Provincial contributions, chilling, depressing and rendering almost impossible the adequate discharge of those social services that might have done so much to recommend the novel and difficult Constitution.

Noble Lords are aware that when the Reforms were introduced, an adjustment of Revenue between the Central and the Provincial Governments was required and that to secure equilibrium between Revenue and Expenditure the Provinces were required to contribute in the aggregate 98½ lakhs of rupees each year to the Central Government. The arrangement under which the Provinces contributed to Central Revenue, though in the circumstances inevitable, had very evident drawbacks. The Joint Parliamentary Committee, indeed, placed it on record that Government should so direct its financial policy as to extinguish these contributions at the earliest possible moment, and this policy the Government of India have persistently pursued.

Remission of Provincial Contributions.

In 1922-23 Bengal was relieved of its contribution of 63 lakhs, and three years later contributions amounting to 250 lakhs were permanently remitted, apart from the temporary relief of 50 lakhs given for one year to those provinces which had not benefitted by the permanent relief then given. In the following year a further permanent remission of 125 lakhs was made, and, as matter now stand, the original figure of 98½ lakhs has been reduced to 54½ lakhs. This year's surplus will, as an exceptional measure, not be used for the reduction or avoidance of debt but will be carried forward and, together with the anticipated surplus for the coming year, will enable the Government to remit permanently another 350 lakhs of these contributions and to remit temporarily, for 1927-8 only, the balance of 195 lakhs. The remainder of the surplus will be set aside to be used to meet initial expenditure involved in the inauguration of the new

currency system and the setting up of the new Reserve Bank with the result that the Revenue and Expenditure of the coming year will, unless we are unfortunate, balance. Noble Lords will thus see that next year the Provinces will be entirely relieved of the obligation to contribute to Central Revenues, a notable achievement due to the courageous skill with which Sir Basil Blackett has administered the finances of India. In the past India has enjoyed the services of a long line of gifted Ministers of Finance, and Sir Basil Blackett has worthily upheld the traditions of his predecessors. He has indeed deserved well of India.

I have dealt at some length on this question of Provincial contributions, because of its reactions on the political situation. I believe that in the past the greatest of all impediments to the successful working of the reforms has been the want of money. When we remember that since the Government of India Act was passed, new burdens have in many cases necessitated retrenchment, one cannot help sympathising with provincial Ministers. Even to tried administrators, retrenchment is always painful and difficult. How much more difficult and how discouraging the process must have been to those new to administration who undertook the responsibility of the Transferred Departments in the hope that they would thus be enabled to advance the well-being of their fellow countrymen! Instead of being able to launch out on new schemes of public works, of education, of public health and sanitation, Ministers in many cases were forced to retrench in every direction. Thus, one of the elements necessary to the success of the reforms has been wanting, and I am confident that your Lordships will share my satisfaction that, by the freeing of the Provinces from the incubus of these contributions, wider opportunities will be given to Indian Ministers to administer more liberally the Departments entrusted to their charge.

Army Estimates.

There is one other part of the Indian Budget upon which I must say a few words. Your Lordships may have observed that the Legislative Assembly has rejected the Estimate for the Army Department as a method of protesting against certain features in Army administration; and in the discharge of my responsibility to Parliament it is right that I should offer some observations on the points against which the Assembly has directed criticism. One ground, and perhaps the principal ground, of objection is the standard of military expenditure in India. It may not be out of place at the outset to attempt to remove a misconception which appears to prevail not only in India but in some quarters in this country. A common line of criticism is that the Indian Retrenchment Committee of 1922 recommended that military expenditure should not exceed 50 crores of rupees (let us say £37,000,000) a year, and that Government had failed to give effect to this recommendation. But what did my noble friend Lord Inchcape and his colleagues in fact say? They said:—

“Should a further fall in prices take place we consider that it may be possible after a few years to reduce the military budget to a sum not exceeding 50 crores of rupees, although the Commander-in-Chief (I should explain that this was the late Lord Rawlinson) does not subscribe to this opinion.” That was a very guarded expression of opinion—is was not a recommendation—and what have Government done to give effect to it? They have reduced military expenditure from 65 and one-fourth crores, that is about £49,000,000, to less than 55 crores or about £41,000,000 in the last five years.

The strength of the Army in India has been reduced, wisely or unwisely, by 38,000 men or 14 per cent since 1914. It is true that its cost has nearly doubled, but India can no more expect to escape the financial consequences of the world upheaval than another part of the Empire. In the same period British military expenditure has increased by fifty per cent although its strength has been reduced by sixteen per cent. It must be remembered that owing to the rigid economy of pre-war years, the Indian Army was actually below the efficiency level when War broke out. The fruits of that policy were borne in Mesopotamia and I can assure your Lordships that neither the India office nor the Government of India nor I myself will forget the lesson that was taught there, however short on occasions may be the memory of the Legislative Assembly,

I have referred to the reduction of the strength of the Army in India since the War; but I must add that the progressive reduction was acquiesced in by the Commander-in-Chief, Lord Rawlinson, and approved by the noble Viscount, my predecessor; not as in itself a sound military measure—it was never so claimed, never so defended—but solely because the financial condition of India at that time made retrenchment necessary, and the improvement in the external and internal situation of India made it possible to take a certain amount of risk. I must emphasise this because behind the general complaint against the size of military expenditure lies the suspicion that the Army in India, even on the present footing, far exceeds the actual requirements of the country and thus contains, at Indian expense, a potential reserve which can be, and is intended to be, used for Imperial purposes alone. That suspicion is absolutely without foundation.

The primary purpose of the Army in India has been defined, in a Resolution passed by the Legislative Assembly in 1921 and endorsed by His Majesty's Government, as "the defence of India against external aggression and the maintenance of internal order." So far from its being true that the Home Government keeps troops in India which are not needed by India and can at will be drawn upon for reinforcements elsewhere, almost the exact opposite is the case. It is true that when for the moment conditions in India are peaceful—and this is I think the answer to the specific question which the noble Lord asked me—troops can be temporarily spared from India, as they are being temporarily spared at the present time, to assist in emergencies elsewhere. But neither the Government of India nor I would be likely to conceal from ourselves that by lending troops from the Indian garrison at this moment we are facing a certain risk. It is, we believe, a reasonable risk, or we should not have been justified in taking it, but it is reasonable only so long as the occasion is temporary. Further than that we dare not go.

The strength of an army must be measured, not in relation to which I may term local day-to-day contingencies, a border scuffle one day, a disturbance of the public peace the next, but in relation to wider contingencies which I need not further specify. It is recognised by both His Majesty's Government and the Government of India that in certain contingencies the Army in India will not suffice for "the defence of India against external aggression and the maintenance of internal order," but that we shall have to obtain, should these contingencies unhappily arise, reinforcements from the Imperial Army in order to defend India successfully against a combination of menaces. That is the cardinal fact in the question of the military requirements of India and the military commitments of Great Britain. In face of it, it is surely futile to say that the strength of the Army in India exceeds its requirements as defined by the Indian Legislature itself and to demand that it be reduced still further.

An Imperial Concern.

Throughout all these criticisms upon Army administration in India, I detect a belief that these matters are primarily of concern to India alone, that there is no call on His Majesty's Government to take part in them, and that action by His Majesty's Government in this sphere is a kind of bureaucratic interference from Whitehall. If only for the reason which I have already indicated, this is a mistaken view. All these questions, whether they relate to the spread of military training in India, or to the Indianisation of the Indian Army, can only be handled with the necessary degree of success if they are brought under comprehensive survey by an authority competent to examine them from the broadest Imperial point of view. It is not enough to approach them patchially. I had, in fact, last year formed the conviction that the time had now come to invite the Committee of Imperial Defence to consider the problem of Indian defence as a whole and to take the opportunity of examining certain incidental questions, of which I will refer to two because they have been mentioned in the Legislative Assembly.

The first is the Report of the Indian Auxiliary and Territorial Forces Committee, which requires a broader survey than either the Government of India or the India Office are able to undertake, in so far as it relates to the potential

fighting strength of India which can be placed under military training. The other is the Indian Sandhurst Committee Report, which will in a few days be made available to your Lordships. I shall not be expected to discuss that Report this afternoon, because I have not at this stage received the Government of India's recommendations on it. But I will say this. It is a document of first rate importance, not only in what it contains but even more perhaps in the lines of inquiry which it is bound to initiate; and it presents the problem in a way which necessarily compels us to consider where we now stand and in what direction we may most safely and readily advance. So far as I am concerned, I shall welcome the opportunity and use it to the full.

Quite obviously the problem, so stated, is one of Imperial scope, on which neither the Government of India nor the Secretary of State is qualified to speak with final authority. I felt bound to consider whether we in India might not be well advised not to publish the Report until both the Government of India and His Majesty's Government had had time to examine it and to review the whole problem, including aspects of it which were beyond the range of the signatories. It appeared that this would involve too long delay in publication and, after consulting the Viceroy and those of my colleagues who are primarily concerned, I decided to publish the Report at once with some preliminary indication of the scope of the further inquiries to which it points the way. That will very shortly be done and the next step will be for the Committee of Imperial Defence, after receiving the Government of India's views, to examine the Report as a whole in its relation to those wider aspects of military policy which they alone are competent to appraise.

Trades Union Act.

Labour difficulties bulk so largely in India that noble Lords will perhaps expect me to say a word on this subject. The Indian Trade Unions Act, which was passed last year, provides for the voluntary registration of unions, and to registered unions various privileges will be given. The object of the Act, which will come into effective operation as soon as the Local Government's have promulgated regulations, is to encourage the growth of a healthy trade union movement in India, and to assist in the development of responsible associations of workmen, which can be recognised by employers. This cannot, of course, be brought about by legislation, and the future of this movement must depend entirely upon the workers themselves and their leaders. I would be the last to underrate the difficulties which stand in the way. These are enormous, but the passage of this Act should serve to make easiest the creation of stable and responsible unions, and so help towards industrial peace.

Further Constitutional Change.

The noble Lord finally asked me to inform him of the prospects of any steps being taken at an early date in preparation for the consideration of further constitutional change. I would ask him in turn, does he feel quite certain that the advancement of that magic date, 1926, which has occupied so much attention in India during the last six years, is now in fact the desire of those who have hitherto urged it with such untiring persistence? I have thought myself that I have seen of late signs among the leaders of Indian opinion of a certain reluctance to rush this fence, if I may be permitted the image, now that the march of time has brought it so unescapably close. But I do not dwell unduly upon that point. Unless Parliament were to decide otherwise, and to amend the law accordingly, a Commission must be instituted not later than the end of the year 1926. Having regard to the known climatic conditions, any advancement of this date must mean that the Commission would be constituted in time to commence its labours in the late autumn of either this year or next. The issue has thus become a somewhat narrow one—so narrow in fact that I hazard the suggestion that ten or even five years hence it will have become difficult to recognise that a choice between 1927, 1928, or 1929 as the date for the initiation of this inquiry should have been one to arouse grave controversy.

However that may be, I decline, as I have stated once before in this House, to make myself the slave of a date, and the decision of this question still lies with

India herself. If the results follow which might reasonably be expected from the fairly favourable arguings disclosed by the past four months, if, that is, it becomes apparent that the present Constitution, with all its faults, is being accepted as the instrument for a serious and sustained effort to collaborate in securing the "better government of India"—to quote the description applied in the Act of 1919—then I see no reason to anticipate that His Majesty's Government and Parliament, if so advised by the Governor-General, will be found over-anxious to insist upon waiting until the ten years period has run its full course. My appeal is still, as it was two years ago, for common sense and reasonableness. The pursuit of political will-o-the-winks has not so far proved very profitable. Nor it hereafter. An intelligent discharge of existing powers is a powerful argument for their extension; an irrational abstraction a powerful argument against. The critical months which we await will determine the decision, and I earnestly hope that at long last we shall meet a sanity and sobriety of action which will encourage and fortify those who established the present Constitution in the hope of witnessing its evolutionary extension.

Constitution Not A Failure.

The Marquess of READING said he dissented from the statement of Lord Olivier that the present Constitution must be regarded as a failure. He (Lord Reading) was surprised to hear the noble lord take that view. He refused to regard the Constitution as a failure; he would rather regard it as a monument erected by the generosity of the British Parliament for the purpose of giving effect to the principles which this country held dear, and to enable India in the future, when she was ready for it, and when she had shown the willingness of spirit which they all desired, to govern herself as part of the British Empire and maintain her position, they hoped for all time, associated with us in the British Commonwealth of Nations. Looking back on the six or seven years which had passed since this Constitution was put into operation he asked how anyone who had studied constitutional history could have expected more to have been accomplished in India during that short period than had actually been achieved. He thought that Lord Birkenhead's speech was a complete answer to the statement that the Constitution was a failure. They all remembered the unfortunate and tragic events of 1919, as a consequence of which the reforms were started under the most unfavourable auspices. As the years progressed he became more confirmed in the opinion that the British Parliament acted wisely in 1919, and that if we had not taken the course we did then we might have been in much greater difficulties at this moment. Everything seemed to point to the peaceful development of constitutional government. He was not suggesting that he took the view that we were ready to make the jump forward which some Indian politicians desired, or had desired in the past—he was not so certain of the present position. If they took the last Session as an example he doubted very much whether it would be just to say that there had been any effort of deliberate obstruction in the sense of attempting to prevent the constitution from functioning. Everything apparently of importance that had been desired had been obtained in the Assembly.

Financial Position.

Speaking of the financial position, he said that during the five years from 1919 onwards there was a deficit of 75 millions sterling. It was determined to initiate a new policy and to make the Budget balance if possible. With the assistance of Lord Inchcape's Committee retrenchments were made in expenditure. When he had read articles and listened to debates on economy in this country he had sometimes thought a useful lesson might be learned from the study of the affairs of India. The finance of India emerged from their parlous condition as the result of a policy of retrenchment and economy. There would not be a surplus at this moment if it had not been for the drastic reductions made in expenditure. The result of the administration of financial affairs had been that the provincial contributions to the Central Government had now been abolished—a notable achievement. It had been expected that it would take many years to dispense with these contributions. The financial conditions of India were such that he thought India might be compared very favourably perhaps with any country

other than the United States. In the direction of finance he would ask their lordships to come to the conclusion, not that the Constitution had been a failure, but that, viewed by the light of events, really its achievement was somewhat remarkable.

A Qualified Approval.

Viscount HALDANE : My Lords, whatever my noble friend Lord Olivier may not have succeeded in doing, at least he has brought out the two very interesting speeches to which we have just listened. The noble Marquess has defended the Constitution established by the Montagu-Chelmsford Reforms in 1919 powerfully. He has said that he denies that that Constitution was a failure and he has given us, in truth, some record of very valuable things which have taken place under it. I think he is entitled to congratulate himself completely upon the outcome as regards finance. I do not think he exaggerated in the least in that regard, and I was very glad that so cordial a tribute was paid, both by the Secretary of State and by him, to the work of that distinguished administrator Sir Basil Blackett, who worked under him and to whom is due a great deal of credit in connection with the reorganisation of the finance of India. If the only question were whether the Constitution had been a complete failure, I should agree with the noble Marquess that it had not been done under it. But finance is not the whole question, and all I think that my noble friend Lord Olivier intended to convey was that at least it is a Constitution which has not been as fully and generously accepted as we could have hoped, with the result that there has been a good deal of evil.

I shall presently have something to say about what I believe to be the cause of that, but before I do so ; I wish to advert to the speech which the Secretary of State has made. It was a very full speech, it was a very candid speech and I think it was a very useful speech, in as much as he answered nearly every question which had been put to him. It covered so much ground that I cannot hope to traverse it on this occasion when, indeed, I only wish to say a few words on certain specific points. But there were two or three things with which I was glad the noble and learned Earl dealt. He spoke of the Act of 1925 for dealing with disturbances in Bengal. I took an active part in the drafting of that Act. It was settled really between India, in close consultation with the Viceroy, and London. It was limited by general assent to one principle, which was to deal, not with political agitation, not with new political crimes, but with crime under the actually existing law and to take steps to put that down. Anybody who remembers the state of things, in Calcutta in particular, in that year, knows that it was a very dreadful state of things, a state of things in which human life was not safe in the City, and the Act was passed to enable the authorities to deal with that state of things drastically. It was done, and now the question has been raised in India and by some people here whether the time has not come when you might release the whole of the offenders in prison under that Act.

Release of Detainees.

Speaking for myself I think it would be inconsistent with the very principle of the Act to release them wholesale. You must deal with their cases individually. They are being dealt with individually. A considerable number are out on probation. I hope that that is a process which may be carried still further, and I do not quarrel in the least with the principle that the noble and learned Earl laid down, that you must go cautiously. But you must to some extent review the decisions come to on the spot about individual cases. I know it is very difficult, and I am very much against interfering with local people in ordinary matters but when it comes to life and liberty then you have a very serious state of things, particularly when there is a powerful public opinion observing you. Accordingly I hope that the noble and learned Earl, while adhering to the principle that the cases must be dealt with individually and each on its merits, will see to it that they are all disposed of, not in that somewhat happy-go-lucky way which often happens when things are left only to the local police.

The Army in India.

Another matter on which the noble and learned Earl touched was the Army. It is true that there has been a very powerful movement in India for the reduction of the Indian Army and its cost, and no doubt there is a great force in the contention that the Army is probably kept up on a scale for the resistance of foreign aggression which would not be necessary if India was a perfectly peaceful country left to itself and not apt to become involved in quarrels which proceed between Great Britain and other countries. That is true, but of course we cannot do without an Army in India of at least sufficient size to preserve law and order and to ensure security from some form of attack. But I have often raised a question in my mind which I commend to the consideration of the noble and learned Earl.

It is a question which, as far as I am aware, has never been considered. We maintain two great Armies, one in India and the other the Imperial Army, the Home Army. The Home Army is generally exclusively in this country. When it goes abroad it goes abroad temporarily. I have sometimes thought—and I have discussed this with some of the most eminent military authorities in India—that in these days of rapid transport it would be possible to keep at least some part of our own Home Army, some part of our Expeditionary Force, generally in India. It need not be a large part. A comparatively small part of it would be sufficient to relieve the necessity of keeping up quite as great a military force in India. A short time ago it was obvious that it would have been a good plan because the theatre of probable disturbance was in the Near East, in Iraq and in countries in that vicinity. Then it would have been a convenience to us to have had that part of the Expeditionary Force which we might require close at hand. But that is not so now. I do not think that invasion from the north is a very practical proposition.

It may be that circumstances may change and you may require a larger force, and then the consideration of this new source of addition to the Indian Army, which may be considered on the analogy of the Territorial Force, may become important. I do not think it is possible to come to a decision about so large a question straight off, but I do say that I think we should do well to consider the question whether the Expeditionary Army of this country and the Indian Army should not be in closer relation than they are at the present time. At the present time they duplicate their work to some extent, and it is one of three things which ought to be considered in the Committee of Imperial Defence on a large scale—whether the views of those who think that some part of our forces might remain generally in India (as I say not too large a part), is not a view which ought to be taken into account. I myself discussed this largely in 1924 and 1925 with those who are engaged in considering strategic questions. It is purely a strategic question. It is a question which deserves more consideration than it has ever had. I think it is one that is new so far as the War Office is concerned.

Reason for Failure of Reforms.

Then I come to the question why it is that the Constitution established in 1919 and the reforms of which the noble and learned Earl has spoken and of which the late Viceroy has spoken—why it is that those reforms have not produced as much fruit as we could have hoped for. There is a reason for it. Between India and this country there is a very great difference in spirit and I think that difference in spirit is a difference which is too much overlooked. I do not often take part in the discussion of Indian affairs in this House, but for all that I see a great many distinguished Indians, men of learning who come over here and who discuss things in a moderate spirit. I see them very often in my house and I read a great deal of literature with which they furnish me. I wish we had in the library for instance, such a magazine as the review which is published in the University of Calcutta and which contains articles by some of the most able men in India discussing all those questions on which we have been touching to-night. If it were read, then I think it would become apparent that

much of the difficulty about constitutional questions and much of the difficulty about domestic questions in India is due to the difference of outlook.

At the bottom of almost everything in India is the question of religion. I do not mean any conflict between Hinduism, in the popular idea of it least, and Christianity. They have got beyond that. I mean that the Indian is unconsciously a religious person and he brings religious considerations into his calculations at every turn. The result of that is apparent in his attitude towards your questions and I think you very often do not take account of the fact that you are dealing with persons of a different spirit from your spirit. I take one case. The question of elementary education is a profoundly serious problem in India at the moment. Very little has been done. The amount of ignorance is stupendous. It interferes with everything, not only with the people whom it leaves open to those influences operate so readily on an unguarded mind, but with the supply of administrators and of people to be employed in skilled businesses. As a consequence the education question is being more and more recognised by those who think in India—and they are many—as lying at the root of nearly the whole of the social problem. Practically nothing has been done about it. Now that these financial reforms of which we have been hearing to-night will place the Provinces in a better position it is possible that the education question may be dealt with by them to some extent. There is another question in which the noble Marquess took a great interest when he was Viceroy and to some extent assisted, and that is the question of agriculture. The development of the study of agriculture in India is a matter of the first importance, and I hope and believe that the development of that study will produce a new class of people in India, more intelligent and able to get a great deal more for you out of the soil.

Need to Understand Spirit of People.

All these things show, as writers like Lord Ronaldsday have been impressing upon us in their books, that we have to understand the spirit of the people more than we have done if we want to get rid of the reproach that our measures do not get home to them. I think it is quite reasonable to take time over the fashioning of the Constitution, if only for the reason that was given both by the noble Earl himself and by the noble Marquess. People's minds are very slowly settling down on that question out of a good deal of chaos and controversy. That is not a reason for feeling hopeless. If you turn to the state of Canada as it was even after Lord Durham's time, you will find its Constitution in a condition as difficult as that of India to-day. We shall get out of these difficulties if we maintain an attitude of moderation, and at the same time of definite purpose. I think that the speeches to which we have listened to-night are speeches that give us considerable hope that, with persistence and by seeking to maintain the vast gap that now separates the spirit of those who administer India from those who administered it before the Mutiny in a very narrow fashion, there is at any rate a likelihood that India will by degrees emerge into that light which was prescribed for it at the time when the reforms were instituted.

LORD OLIVIER THANKED THE EARL OF BIRKENHEAD FOR HIS STATEMENT AND WITHDREW HIS MOTION FOR PAPERS.

The Indian Debate in Commons

On the 2ND JUNE 1927 in the House of Commons on a motion for adjournment, Mr. LANSBURY (Labourite) initiated the Indian debate and complained of the discrimination against Indians on the Indian railways and also of the "colour bar" in Britain. He asked for the establishment of an impartial tribunal to enquire into the Kulkati disturbances and demanded the publication of the medical report on which Mr. Bose was released. He said that this was one of the cases that would be remembered in India eternally as the "persecution of a good nationalist" and he urged that the Government should appoint a committee to survey the situation and lead up to the appointment of the Statutory Commission. He was confident that he was voicing the opinion of the Labour Party when he said that it was as anxious as anyone to maintain the British connection with India, but was convinced that it was only maintainable by giving people the right to be masters in their own country.

Earl WINTERTON, responding, said that he did not complain of Mr. Lansbury raising these Indian questions "as Indian debates were only too rare." As regards the ban at Edinburgh, he very much regretted the circumstances, but they were not within the control of the Secretary of State for India nor the Secretary for Scotland. He was glad to hear deprecatory expressions from both sides of the House on June 1st and personally agreed with the other Labourites rather than with Mr. Shiels.

Revolutionary Crime and Mr. Bose.

As regards the Bengal detenus, the Secretary of State never attempted to disguise the fact that exceptional powers were necessary. Earl Winterton declared that the necessity for them was abundantly proved when they were put into operation in 1924. There had been an organised conspiracy in Bengal to commit revolutionary crimes. Nothing could be more inaccurate than Mr. Lansbury's description of Mr. Bose's offence as a "political offence." Mr. Bose broke the law as regards revolutionary crimes under the Indian Penal Code.

Earl Winterton continued that it was impossible for the Bengal Government to guarantee the maintenance of law and order and prevent widespread assassination unless they were empowered to segregate persons responsible for organising and instigating the conspiracy. Moreover, the Bengal Government were convinced that the ordinary trial by jury would endanger the lives of witnesses. Hence powers were taken to arrest those persons. Lord Olivier sanctioned this policy. Earl Winterton had always thought that the Socialist Party accepted what Lord Olivier did.

Earl Winterton pointed out that 46 persons were in jail under the Act, as compared with 75 three months ago and 11 were in jail under the Regulation III as compared with 16, while 95 were detained in villages or homes. He restated Mr. Montagu's statement in the Legislative Assembly on March 1st and added that Mr. Lansbury would be surprised to learn that there were certain of Mr. Lansbury's general observation with which he (Earl Winterton) and most members agreed. Nobody liked any form of extra-judicial power if it could be avoided. Neither he nor the Government of India were anxious to exercise the powers a day longer than was necessary. He emphasised that these men were there because they were guilty up to the hilt of participating in the operations, which nobody except a few lunatics could condone.

Earl Winterton said that revolutionary crime in Bengal was confined to a small area and had almost disappeared from the rest of India. It alternately boiled up and died down in Bengal. It might be said that it boiled up most when coercive measures were taken and that it was least active when people treated it as Mr. Lansbury's way, but the very opposite was the case mentioned here concerning the number of those who had been given amnesty by Mr. Montagu in 1926.

Regarding Mr. Bose Earl Winterton argued that the fact that the man occupied an important position in no way determined his guilt or innocence, whatever the confidence the Calcutta Corporation might have in Mr. Bose. That Corporation was not quite the reasonable and moderate body that Mr. Lansbury contended it was, but anyway their confidence in Mr. Bose had nothing to do with the matter.

Earl Winterton recapitulated the developments leading to Mr. Bose's release and added that the Government would have done the same thing in the case of any other person but would not make any special arrangements on account of his position in private life. On the matter of publishing the doctor's report, Earl Winterton said that he did not see the reason for altering the usual procedure.

The Kulkati Affair.

He was sorry to assume an uncompromising position over the Kulkati affair, but he must refuse to agree to an independent enquiry as it was wholly unnecessary. Lord Birkenhead did not see the reason to doubt the rightness of the course taken by the authorities.

Earl Winterton recited the facts and asked the House to visualise the situations with which the police have always to deal. They did not get thanks for their action, but he was proud to stand up for the body of a most long-suffering men in the British Empire. The Indian Police often showed as much courage, tact and discretion as could be shown by the Metropolitan police in similar circumstances. He was not going to comment on the proceedings which were being considered and judicial proceedings might follow, but "prima facie" there was little doubt that the District Magistrate had to take drastic action or much greater loss of life would have been probable if the crowd got into a conflict.

The Royal Commission.

As regards the Royal Commission, Earl Winterton was unable to add to what he and Lord Birkenhead had previously said. It was impossible to announce the date of appointment or the conditions governing the acceleration of date. As regards the composition of the Commission which Lord Birkenhead had naturally to consider, any view expressed in the Commons and Lords he would consider those views when the time came to make a submission to His Majesty with regard to its composition and until then it was impossible, unusual and possibly improper to state the definite names of the gentlemen to be submitted as members.

Mr. Subhas Bose's Refutation.

On the 5th June 1927, in a communication to the Associated Press, Mr. Subhas Chandra Bose now released from the Mandalay Jail refutes the statement made by Earl Winterton in the House of Commons that the detenus including Mr. Bose under the Regulation and Ordinance were tried before two judges.

None of the detenus has, says Mr. Bose, so far as I am aware, ever been tried before a judge or judges. There has not been even a mock trial. I was never produced before any magistrate or judge nor was I ever told by whom the papers in connection with my case, which had been prepared or fabricated, had been examined either prior to my arrest or would be examined subsequent to it. Some time after my arrest a police officer visited me at the Alipore Central Jail in Calcutta and read out to me a number of allegations which were mis-called charges. As far as my recollection goes, I was accused of being a member of a conspiracy for importing arms, manufacturing explosives and murdering police officers. When I was asked if I had anything to say in reply to the "charges," I said that I was wholly innocent and I demanded trial before a court of law.

In January 1927 I was transferred from the Berhampore Jail to the Mandalay Jail. Under the Bengal Ordinance some time in February the same charges were presented a second time. When I was asked if I would reply to the allegations, I stated this time in writing that I reaffirmed my innocence. I then raised

the question myself as to why I should have got into the bad books of the police. I proved or at least attempted to prove that any predicament was the result of personal malice against me on the part of a high police official. I venture to think that my explanation was, to put it very mildly, certainly as plausible as the case concocted against me by the police. It is not, therefore, true, as Earl Winterton said on a former occasion, that when I was confronted with the charges I declined to reply. Neither is it true as the Home Member of the Government of India said on one occasion, that detenus were made acquainted with the general scope of evidence against them.

In October 1926 a police official interviewed me in Mandalay and in the course of conversation with me he attempted to say that there was documentary evidence against me. I challenged him to produce it and asserted that there could not possibly be any such evidence against me and that if he would still persist in saying there was I could not help saying that that evidence must have been forged. The official in question therefore observed discreet silence, possibly because he felt the game was up.

Referring to the statement of Earl Winterton that the detenus were guilty up to the hilt of taking part in assassination, Mr. Bose says that during the last five or six years, in a province the population of which is about fifty millions, there has been one single case of political assassination, namely, the murder of Mr. Day. There is no one who did not or does not condemn the murder and if this and its sequel prove anything they prove that the ordinary law of the land was sufficient to cope with any form of violence whatever its motive might be.

Mr. Bose next refers to the murder of the Sankaritola Postmaster, Mr. Santi Chakravarti, and Rai Bahadur Bhupendra Nath Chatterjee, in all of which cases he holds the ordinary law of the land would suffice to bring to book those who were responsible for the outrages and adds that it would not be fair for the authorities to make use of these murders as arguments for justifying the Ordinance or Regulation.

Regarding the assassination and intimidation of witnesses in political cases, the apprehensions of Earl Winterton, he says, are entirely without foundation. A large number of recent cases which the police regard as political and which have been tried in open court have disapproved this contention and one is surprised that the Under Secretary of State for India should still continue to trot out such worthless and repeatedly exploded arguments for bolstering up a thoroughly discredited policy.

Mr. Bose agreed with Earl Winterton that the fact that a man occupies an important position in no way determines his guilt or innocence. "I have never claimed any immunity from the operation of law by virtue of any position in private or public life. We are all equal in the eye of the law and we desire to remain so. If we break the law as we did in December 1921 we shall do so openly and we shall carefully accept the consequences as we did then. In the present case we have not broken the law and we have not violated any section of the Indian Penal Code. It is therefore but natural that we should feel that we are being persecuted not for complicity in revolutionary conspiracy but for setting up a strong political organisation by means which are open and above board."

Mr. Bose concludes :—"Except that some obliging gentlemen have occasionally come forward with a broken revolver or picked up a bomb shell and offered themselves for arrest, whenever there has been talk of releasing detenus, there has been no crime in the province which may be called revolutionary during the last few years and certainly not during the last twelve months. A perusal of Earl Winterton's speech gives one the impression that either he is deliberately indulging in an erroneous statement and half-truth or has been completely misinformed by men on the spot about the exact position of affairs in this unhappy province. Either alternative affords us poor consolation and little solace."

The India Office Estimates

HOUSE OF COMMONS—17TH JUNE 1927.

The India Office Estimates were discussed in the Commons on the 17th June. Contrary to the usual practice, the debate did not open with the Estimates speech by Earl Winterton. The Opposition had selected the subject of India for to-day at short notice. Consequently, it was arranged that Earl Winterton should formally move the Estimates and then there should be a general discussion, to which Earl Winterton would reply, and the Estimates should be re-discussed at a later session, when Earl Winterton would make the Estimates speech. Mr. Patel and Lord Sinha were present in the Distinguished Strangers' Gallery.

Mr. LANSBURY opened the debate by enquiring with regard to the Reforms and the establishment of Reforms Commission, etc. Referring to Mr. Patel's presence, he pointed out that there was a vital difference between the Commons and the Assembly in India, because the Commons, when it passed a law or a resolution, had the power to see that it was carried into effect but that did not happen in India.

Referring to Mr. Bose Mr. Lansbury read a telegram from Mr. Bose declaring that no detenus had ever been tried before any judge and that his himself had never been produced before a Magistrate or a Judge. He was never acquainted with the nature of the evidence against him. He had challenged the police to produce documentary evidence, but they were silent.

Mr. Lansbury declared that the Trade Unions Act for India was a step towards the right direction, although it was a very halting step. The Labourites would have liked to see a very much broader measure. He concluded by MOVING THE REDUCTION OF £100 FROM THE ESTIMATES.

Mr. Warlaw-Milne expressed appreciation of the tone of Mr. Lansbury's speech. Discussing what would happen in 1929 when the Reforms would be considered, he expressed the opinion that it was impossible to do anything more than extend the progress already made.

Mr. Bakshiwalal repudiated the idea that gradual reform would remedy the grievances of the Indian people. There was no middle course between slavery and freedom.

Earl WINTERTON, replying to the debate, said he could make no announcement with regard to the date of the Statutory Commission, except to say that the interval remaining before the time, when, under the act, the Commission must be appointed was now so rapidly diminishing that the question of the precise date of the assembling of the Commission was fast becoming one in which matters of practical convenience loomed almost as largely as questions of policy. It was an open secret that the Government of India were collecting data to submit before the Royal Commission. If the Commission was brought into operation before the exact time prescribed by the act, Government would have to seek the approval of Parliament and it would do so without hesitation. Under the Government of India Act, it would be necessary, in due course, quite apart from the question of time, to obtain Parliament's approval to submission to His Majesty of the proposed personnel of the Commission.

Replying to Mr. Lansbury's remarks with regard to the Assembly in India, Earl Winterton, emphasised that the debates in the Assembly and Councils had influenced the course of Government more strongly than was contemplated when the act was passed. Nothing could be further from the truth than the statement that the members of the Assembly and their electors were powerless. He would be most surprised if the Royal Commission, when it came to consider the matter, did not confirm his view. He expressed the opinion, that the constitutional machine in India appeared to be working with less jolting and vibrations than a year ago and with fewer attempts to paralyse it and there was a growing

appreciation of its merits and the merits of the Reforms. Probably, the improvement in the financial situation, the growing scepticism of the value of pretensions of the more extreme critics of the Government of India, and the feeling that energies should be husbanded for the next stage when the Statutory Commission appeared on the scene, were all factors, which led to the improved situation.

Referring to the Hindu Moslem agreement regarding joint electorates, Earl Winterton expressed regret that the statements and speeches of representatives of the two communities did not give great hope that the so-called agreement would be recognised by private people.

Referring to the Royal Commission on Agriculture, Earl Winterton emphasised that the evidence of witnesses did not necessarily represent the view of the Government. He personally was of opinion that the Commission would find not all the complaints against Indian agriculture to be justified. He cited the opinion of the Director, Government Demonstration Farm in Bengal, that the Commission might find that the ancient implements such as wooden plough were the best instruments for cultivation of small plots of land in Bengal.

Earl Winterton concluded with a strong defence of the action of the Government with regard to the Bengal detenus.

MR. LANSBURY'S MOTION WAS REJECTED BY 173 VOTES TO 45. THE DEBATE WAS THEN ADJOURNED.

HOUSE OF COMMONS—8TH JULY 1927.

Mr. Patel and other distinguished Indians were present in the gallery, when Earl Winterton opened the continuation of the debate on India Office Estimates in the House of Commons on the 8th July.

Earl WINTERTON reiterated that, save in very exceptional cases, where the action proposed would raise national and imperial difficulties, His Majesty's Government did not regard themselves at liberty to interfere when agreement had been reached between the Government of India and the legislature. From personal knowledge Earl Winterton knew that Mr. Saklatvala did not represent one-half of one per cent of the views and sentiments of the community, which he posed as representing. Indeed, he had been approached by more than one distinguished Indian in public life, asking how to get into touch with representatives of Liberal and Conservative parties with a view to standing for election to counteract the idea that Mr. Saklatvala in any way represented the majority.

Earl Winterton contrasted the conflicting schools of opinion. Firstly, those who, whilst they grudgingly admitted certain benefits of the British connection with India, contended that the bulk of population was as miserable, poor, diseased, ignorant and under-led as previously and all would be changed with Swaraj. Secondly, those who, while admitting the inadequate margin of subsistence of Indian workers, claimed that, since the British came, there had been a great improvement, which would have been greater but for the lack of co-operation and the obstructive attitude due to the ingrained customs of Indians themselves. The latter also held that the growth of the Indianisation of services and the devolution of power resulted in the deterioration of administration. Earl Winterton rejected the first thesis and was unable to accept the second without qualification. He pointed out that much of the health and welfare of Indians depended on the efficiency of the municipalities and district local boards, whose activities could not be surveyed in the Commons. Probably, the diarchical system provided an inadequate financial stimulus to the transferred subjects, because, while ways and means of finance were generally not matters for which the ministers were responsible and as long as the reserved departments could be represented as having the first call on the provincial funds, it was always possible for a Minister and his followers to persuade themselves that the principle, that socialism was unattainable without paying for it, did not apply to them and to actual power in their hands.

Earl Winterton drew attention to the conflicts of opinion and criticism as, for example, Mr. Gandhi's contention, that roads, railways and mills did not

appeal to the soul of India, while other critics accused us of utter indifference for the prosperity of the people. It was pathetic to see real sorrow filling the heart and soul of the man who had spent his life in the administration of India having to leave and hand over the work to another. Earl Winterton expressed the opinion, that the difficulty lay in the indifference of the people, especially, due to the inherited views of this life and the next. Obviously, religious observance and custom in a matter like caste, with the accompaniment of child-marriages, the depressed classes and the prohibition of the slaughter of animals must affect the health and vitality of individuals.

Earl Winterton enumerated at length what had been accomplished through the co-operation of Indians and Europeans in various directions and analysed the Indian budget, dwelling on the gradual reduction of the provincial contribution excluding the Bengal contribution, and the decision to use the anticipated recurring surplus for the remission of three and a half crores of contribution permanently. While the feasibility of making a remission of the residue of contributions permanent would depend on the future, nobody was more anxious than the Secretary of State and the Government of India to see the last of the feature of the Indian Reforms finance. Earl Winterton drew attention to the improvement of labour conditions, which synchronised with India's whole-hearted participation in the international labour organisation, and pointed out that India was one of the few countries which had ratified the Washington Labour Convention. (Loud Labour cheers.) Her output of social legislation during the past five years was a remarkable achievement of an oriental country. He paid tributes to Lord Lloyd, Sir Leslie Wilson, and their respective Governments for carrying out great and far-reaching schemes of social betterment. He doubted whether the people realised the amazing progress of agricultural co-operation.

Earl Winterton said that recruiting of Europeans for the services was steadily rising, but they were not getting enough of young Indian Civil Service officers. The Government of India and Lord Birkenhead were carefully watching the position and all necessary steps would be taken to ensure the recruitment of sufficient British officers. The apprehensions regarding the effect of Indianisation must be most carefully considered, when the Government dealt with the Indian Sancharist Committee's report. As long as we offered, as we must, adequate guarantee as regards conditions and prospects of service, he was confident the Indian Army would continue to be one of the finest careers.

Concluding, he said, he was personally acquainted with more numerous Indians of all parties in public life than any of his predecessors could say. He hoped, without showing effusiveness or a patronising spirit that in culture and education, the leading men among them were not behind the public men of any other country. That, however, was not enough. He had shown the extent to which power to improve the masses rested in their hands, not merely in future but at present under the existing constitution. As far as any custom and tradition barred the way to progress, they could do infinitely more than any Government to influence a change.

Other speakers.

Several Conservatives and Labourites followed Earl Winterton. Col. Wedgwood asked the Government to fix a date for the grant of Home Rule when Indians could manage themselves their military and civil affairs and urged the immediate appointment of a Royal Commission. He added that he would like to see Mr. Gandhi on it. Owing to Parliamentary time, Earl Winterton was unable to deal with the matters raised by the various speakers, but picked out the instances mentioned by Mr. Shaw, namely, the alleged beating of a man by a British officer six months ago, which Mr. Shaw said he and a German friend witnessed. Earl Winterton said it was difficult to take action now as Mr. Shaw had not reported the matter to the police which it was his plain duty to do. Earl Winterton therefore described it as a cock and bull story.

A stormy scene then ensued, Earl Winterton charging Mr. Shaw with breach of duty as a citizen in not reporting the matter. The sitting automatically ended at four o'clock and the DEBATE ON THE INDIA OFFICE VOTE WAS ADJOURNED "SINE DIE."

The Indian Navy Bill

Second Reading Passed.

The Indian Navy Bill was introduced in the House of Commons by Earl Winterton in February 1927. The Second Reading of the Bill was moved in the Commons on the 9TH MARCH 1927. In moving it Earl Winterton related the history of the Naval Forces in India and incidentally referred to the Royal Indian Marine as a "non-combatant force."

Commander Kenworthy protested against this.

Earl WINTERTON replied that the term had been usually applied to the Royal Indian Marine which for the greater part of its service was a non-combatant force and emphasised that its duties were very important. He paid a tribute to the very valuable service of the Royal Indian Marine during the War and declared that it had during its service good men and true, British and Indian, and the new force would inherit with its new personnel the traditions of a great service. (Cheers). It was intended to name the new force as the Royal Indian Navy. Its functions during peace time would be the training of personnel for war and the maintenance of services required at all times by the Government of India, such as survey and transport work. Eventually the force might undertake the patrolling of the Persian Gulf which would involve a very small addition to the force, but would relieve the Royal Navy of a very arduous and difficult service for Europeans. Obviously most of the provisions of the Bill took the form of legislation by reference. He admitted the general disadvantage of that course, but it was quite impossible to avoid it in the case of the Government of India Bill. India was the only part in the Empire which had a written constitution of that kind and it was impossible to create such a force or even take any important step with regard to Indian legislation without an amendment of the Government of India Act. But amendments, mainly full substitution amendments, were therefore far less cumbersome than amendments of mere words and phrases.

Earl Winterton said the bill did not alter the existing law that Indians should be eligible for Commissions in the Royal Indian Marine. It had been found in practice that the class of educated Indians willing and capable of serving as officers of ships was almost non-existent, but full opportunity would be given to any young Indian who was prepared to be trained as a Naval Officer. The new service would have small numbers and therefore the number of vacancies for new officers, British or Indians, would be very limited, but Indian candidates would be eligible for vacancies when they passed the necessary examinations and had the requisite training. As regards the objection that this was an addition to that naval force of the Empire, he emphasised that the Bill only provided for the service to carry out duties which must always be carried out even if the ideal of universal disarmament of combatant ships materialised. It was not intended that this navy would need any modern combatant ships.

As regards the objection that the Indian Assembly had not been properly consulted, he said there was nothing in the constitutions to the effect that Parliamentary legislation affecting India required the previous approval of the Assembly, nor was there any precedent for it. He pointed out that the Labourers' Commonwealth of India Bill proposing most fundamental changes in the Government of India Act was never discussed in the Assembly. Earl Winterton emphasised that the bill could not come into effective operation in India without consequential legislation by the Assembly and presumably when the Assembly discussed the bill there would be full opportunity to discuss the whole question of the Indian Navy. Moreover, the new Indian Navy would be exactly in the same position and relation to the Assembly as the Indian Army. He commented the bill to the House, because to the best of Lord Birkenhead's belief, it was desired by the people of India.

— Mr. AMMON MOVED FOR THE REJECTION OF THE BILL. He contended that the Indian Marine could have done everything intended in the bill and he could not accept Earl Winterton's statement as wholly covering the ultimate intention. He declared it was absurd to talk of this being an Indian Navy. It was simply an endeavour to supplement the British Navy and impose the cost on the Indian people.

Commander Kenworthy urged that suitable young Indians should be picked who after some years of training would be well able to take their place on board ship. (Earl Winterton: Hear, Hear) The big thing to do would have been to provide that in a grave emergency these forces could be placed at the disposal of the Admiralty with the consent of the legislature.

Mr. Pilcher (Conservative) emphasised that the British taxpayer would bear a large capital expenditure on two additional sloops on Indian waters and declared that the bill gave the Assembly complete control over the personnel and discipline until emergency arose.

Colonel Wedgwood suggested that great steamship lines might be persuaded to take Indian cadets. Indians should be encouraged to become officers in the Air Force, Navy and Artillery.

Mr. Headlam emphasised that as far as the Admiralty was concerned every effort would be made to train Indians who were suitable for officers. The Admiralty intended to treat the Indian would-be officer similarly to the English.

Com. Kenworthy suggested that Indian cadets should be allowed to go to Dartmouth.

Mr. Headlam replied that Indian parents could not be expected to send young boys to England to be trained, but they could be expected to let them come to England when they were older to be trained as officers. That was the intention as far as the naval authorities in England were concerned.

A Labour Motion Defeated.

After the bill had been read a second time the Labourites moved that the bill be committed to a committee of the whole House. This motion was defeated by 244 votes to 120. This Labour motion was apparently intended to enable further discussion by the whole House instead of by a limited number of members in the Standing Committee.

The Labour motion for rejection of the Bill was defeated by 245 votes to 117.

Report of the Standing Committee.

On the 22ND MARCH the Standing Committee of the House of Commons ordered the Indian Navy Bill to be reported to the House for the third reading.

Com. Kenworthy submitted two amendments requiring the consent of both the Houses of the Indian legislature similarly to British Parliaments as regards the revenues of India and also placing at the disposal of the Admiralty Indian Forces or vessels.

Earl Winterton resisted both the amendments which were finally negatived by 12 votes to 9 and 13 votes to 8 respectively.

Earl Winterton moved a new clause that "any law of the Indian legislature under provisions of sub-sections III and IV and Section I of the Government of India Act may provide for the repeal of any law of the Indian legislature in force at the commencement of this Act regulating Royal Indian Marines but until such repeal the Government of India Act shall, in relation to the Indian Marine, have effect as if substitutions effected by the above-mentioned sub-sections had not been made and as if men or ships belonging to the Indian Marine were naval forces or ships raised by the Governor-General in Council within the meaning of the provisions of sub-sections I and II of Section X."

Earl Winterton explained that the clause made a transitory provision for the continuance of the existing disciplinary measures. When the Bill was enacted the Indian legislature would be empowered to legislate and similarly to regulate the discipline and control of the new force.

The clause was passed without discussion.

Third Reading Passed.

On the 5TH APRIL 1927 the House of Commons, during the report stage of the Indian Navy Bill, rejected by 254 votes to 113, Mr. Pethick Lawrence's amendment to delete Clause 1 of Sub-section 1. Mr. LAWRENCE said that the Labour Party had substantially agreed to the main object of the Bill, namely the creation of an Indian Navy for the protection of the shores of India, but it proposed to get rid altogether of the provisions enabling the Indian Navy to be used for other purposes such as the despatch to anywhere abroad of a part of the Indian Navy.

Earl WINTERTON said that what was proposed under the Bill was exactly the same as had already been in operation as regards the Indian Army and it would be most inconvenient from the administrative viewpoint, if the Navy was put on a different basis. Earl Winterton placed a great deal of reliance on Indian public opinion. He had paid a lot of attention to the opinions expressed, but the opinion advocated in the amendment had not been expressed by any responsible person. The amendment would preclude the use of the Indian Navy for Imperial purposes. No such restrictive covenant applied to the Dominion navies. Indian opinion would say that the new force was placed in a humiliating position compared with the Dominion navies, if it was only used in Indian waters. He emphasised that in the Great War, India had as much defended the North Sea as the Indian Ocean.

Earl Winterton objected to a fundamental alteration in the Bill, firstly, on account of the great administrative inconvenience; secondly, it was unreasonable to create an anomaly, which would be created if the Indian Army was subject to one set of legislative enactments and the Indian Navy to another; and, thirdly, no such limits need be placed to the patriotism of the people who were likely to join the Indian Navy. It was most unlikely that the Indian Navy would be widely used outside Indian waters in war, but possibly in a big naval war these ships might be used for other purposes. He challenged Mr. Lawrence to find any Indian amongst the types accustomed to defend their country in the past, who would not say it was a reflection on their patriotism to suggest that they were willing to fight in Indian waters and not elsewhere.

Mr. Kenworthy's Amendment.

After declaring that he would have liked to amend the Government of India Act so that Indian troops might not be used outside India, without the consent of the Indian Legislature, Commander KENWORTHY moved an amendment to Clause 1 Sub-Section 2 providing for the omission of the words "without the consent of both Houses of Parliament". He said that the safeguard inserted in the Bill with regard to the consent of Parliament when the Indian Navy would be used by the Admiralty took over the force for services elsewhere than India that we should pay.

Earl WINTERTON, replying said that he did not think that these words in the clause would offend the susceptibilities of Indians, because it was exactly the same provision as applied to the Army, which could not be used outside India and paid for out of Indian revenues without the consent of both Houses. This procedure had been adopted in the case of the Army for years past and had been found to be satisfactory. It was extremely unlikely that Parliament would ever be asked to vote the revenues of India for this purposes and the power was only conferred as it was considered the most convenient and most proper method of procedure, should an emergency arise. Indeed it was most unlikely that the Sub-Section would be put into operation at all.

Earl Winterton said that the effect of the amendment, if carried, would be that India under no circumstances would be asked to provide for money to defray the expenses of any vessel used outside the Indian territorial waters. He did not believe that the House was anxious to impose that sort of restrictive covenant upon the Indian people. He refused to believe that Indian patriotism was of such restrictive character. This amendment was tantamount to saying

that at no time, however much it might be desired by Indian public opinion and despite what had been said by some members he believed it would be desired. Under no circumstances would they give money, if they wanted to, for general naval defence.

Col. WEDGWOOD raised the question of the payment of Indian Troops in the Great War.

Earl Winterton replied that they were paid for by the Imperial Government and India gave a large sum towards the expenses of the war. He thought the effect of the amendment would be to prevent India from doing the same in case of her navy.

The amendment was rejected by 294 votes to 126.

Mr. Kenworthy's Amendment.

Com. KENWORTHY moved another amendment requiring the consent of both Houses of Indian Legislature to the payment of expense of vessels not employed outside Indian naval defence. He declared that he moved the amendment not to wreck the Bill but because he wanted to see this Navy become a symbol of freedom.

Earl Winterton said that most people would largely agree to considerations mentioned by Com. Kenworthy but the adoption of the amendment would not be regarded in India as a gesture of goodwill and equally, if it was not adopted there was nothing in the sub-clause to offend Indian susceptibilities. He was convinced that the very important question of principle which Com. Kenworthy had raised was not affected by the clause. Moreover, it was never pretended that in the present transition stage of Indian Constitution India, through the Assembly, had full control over her revenues. It had been asked that there should be a Commission of enquiry into the relation between the House of Commons and India and until the Commission was appointed and the whole question investigated any Government bringing a bill like this would apply to the Indian navy the same provisions and form of procedure as applied to the army. The point was not a fresh one and he hoped the House would come to an early decision.

The amendment was rejected by 272 votes to 126.

Speaking on the motion for the third reading of the Bill, Mr. HEADLAM explained that the whole point of the Bill was to carry out the acknowledged policy of the British Government by degrees to give Indian people more and more interest in their own defence. At present India's naval defence lay with the Admiralty and the Bill aimed at gradually transferring the responsibility for looking after India's naval defence. This and the gradual granting of Self-Government could not be done in the twinkling of an eye. This Bill was one further stage in the policy of bringing India to the same position as the other Dominions of the Crown.

The Bill was then read the third time and passed by 356 votes to 122.

The Navy Bill in the Lords.

On the 28TH APRIL 1927 the House of Lords passed the second reading of the Indian Navy Bill. In moving it Lord BIRKENHEAD said that the Bill aimed at the development of Indian Navy from the existing skeleton of Royal Indian Marine into an instrument which, though primarily designed for Indian local naval defence alone, would also be fitted to form one of the groups of overseas navies, co-ordinated by common tradition and common policy of Imperial naval interest. Simultaneously the Bill would bring the Indian naval defence into proper place within the Indian Constitution. India would thus have an opportunity of taking her place among the overseas members of the Empire maintaining local navies capable of co-operating in a combined policy of naval defence. The general policy of development now contemplated had more than once received the assent of the Imperial Conference but naval defence was at present outside the ambit of the Government of India Act and the Government of India had no voice in it. There was no system such as existed in the Indian Army for Indians themselves to be trained as

combatant naval officers in the Indian naval force. The Bill would rectify these anomalies. The Bill, therefore, did not alter the framework of the Indian Constitution, but there was room within the framework for the introduction of a sphere of administration, such as naval defence, and the Bill purported to effect its introduction without disturbing the main structure. Lord Birkenhead paid a tribute to the fine record and unsparing services of the Royal Indian Marine in the long and critical period of its history and said, "If it is now to pass, I hope its members will find more pleasure than regret in the occasion of its passing and follow with pride the career of the Indian Navy, which the Indian Marine alone has made it possible to create."

Lord HALDANE supporting the Bill on behalf of the Labour party said that the Bill would be criticised, because it empowered the Government of India to create an Indian Navy in addition to the Indian Army, thus enabling further expenditure of Indian revenues to be incurred on defence.

Lord Haldane however pointed out that India, for military purposes, was an island and could not be succoured from the North, while the British navy might sometimes be unable to be there to protect the country from the sea, in which connection he instanced the case of "Emden" in wartime, when India was without a navy of her own. He also suggested that a portion of the military forces of the crown, which were kept in Britain, might be located in India, and thus save Britain's sending out battalions to India and save India somewhat from the duty of maintaining as large an Indian army as she at present deemed desirable.

The Bill was then read and committed to a Committee of the Whole House.

Text of the Indian Navy Bill.

The following is the text of the provisions of the Indian Navy Bill, presented to the House of Commons on the 25th February 1927, to amend the Government of India Act with a view to facilitating the provision of an Indian Navy and to make consequential amendments in the Naval Discipline Act:

Be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. With a view to facilitating the provision of an Indian navy, the following amendments shall be made in the Government of India Act:—

(1) At the end of section twenty-two the following new sub-section shall be inserted:—“(2) Where any naval forces and vessels raised and provided by the Governor-General in Council are in accordance with the provisions of this Act placed at the disposal of the Admiralty, the revenues of India shall not, without the consent of both Houses of Parliament, be applicable to defraying the expenses of any such vessels or forces if and so long as they are not employed on Indian naval defence.”

(2) After section forty-four, the following section shall be inserted:—“44-A. Any naval forces and vessels which may from time to time be raised and provided by the Governor-General in Council shall be employed for the purposes of the Government of India alone, except that if the Governor-General declares that a state of emergency exists which justifies such action, the Governor-General in Council may place at the disposal of the Admiralty all or any of such forces and vessels, and thereupon it shall be lawful for the Admiralty to accept such offer.”

(3) For paragraph (e) of sub-section (1) of section sixty-five, the following paragraph shall be substituted:—“(c) For all persons employed or serving in or belonging to any naval forces raised by the Governor-General in Council, wherever they are serving, in so far as they are not subject to the Naval Discipline Act: and”

(4) For section sixty-six, the following sub-section shall be substituted:—“66. Subject to the provisions of this Act, provision may be made by the Indian Legislature for the application to the naval forces raised by the Governor-General in Council of the Naval Discipline Act, and that Act, if so applied, shall have

effect as if references therein to His Majesty's Navy and His Majesty's ships included the forces and ships raised and provided by the Governor-General in Council, subject, however—(a) in the application of the said Act to the forces and ships raised and provided by the Governor-General in Council, and the trial by court-martial of officers and men belonging to those forces, to such modifications and adaptations (if any) as may be made by the Indian Legislature to adapt the Act to the circumstances of India, including such adaptations as may be so made for the purpose of authorising or requiring anything, which under the said Act is to be done by or to the Admiralty or the Secretary of the Admiralty to be done by or to the Governor-General in Council or by or to such person as may be vested with the authority by the Governor-General in Council; and (b) in the application of the said Act to the forces and ships of His Majesty's Navy not raised and provided by the Governor-General in Council, to such modifications and adaptations as may be made by His Majesty in Council for the purpose of regulating the relations of the last-mentioned forces and ships raised and provided by the Governor-General in Council: Provided that, where any forces and ships so raised and provided by the Governor-General in Council have been placed at the disposal of the Admiralty, the said Act shall apply without any such modifications or adaptations as aforesaid.

2. In sub-section (1) of section ninety-B of the Naval Discipline Act, after the words "self-governing dominion" wherever they occur, there shall be inserted the words "or of India."

3. (1) This Act may be cited as the Government of India (Indian Navy) Act 1927.

(2) Sub-section (2) of section forty-five of the Government of India Act, 1919 (which relates to the effect of amendments and the printing of the Government of India Act), shall have effect as if herein re-enacted and in terms made applicable to the amendments of the Government of India Act effected by this Act.

The Royal Assent to the Indian Navy Bill was given on the 29th June 1927.

INDIA ABROAD

Jan.—June 1927.

Indians in South Africa

The Round Table Conference.

It was announced in April 1926 that the Government of India and the Government of the Union of South Africa have agreed to hold a Round Table Conference to explore all possible methods of settling the Indian question in the Union in a manner which would safeguard the maintenance of Western standards of life in South Africa by just and legitimate means. The Conference assembled at Cape Town on the 17th December 1926 and its session finished on the 12th January 1927. There was in these meetings a full and frank exchange of views which resulted in a truer appreciation of mutual difficulties and a united understanding to co-operate in the solution of a common problem in a spirit of friendliness and goodwill.

In both the Houses of the Legislature, the Govt. communique embodying the main points of agreement arrived at between the Union Government and the Government of India were read on the 21st February 1927 and the annexure giving in greater detail the terms of agreement were laid on the table. Mr. Bhoré, in a short speech, made brief comments to help the members of the Assembly to follow the agreement more easily. The following are the terms of the agreement :—

Terms of Agreement :

(1) Both Governments reaffirm their recognition of the right of South Africa to use all just and legitimate means for the maintenance of Western standards of life.

(2) The Union Government recognises that Indians domiciled in the Union who are prepared to conform to Western standards of life should be enabled to do so.

(3) For those Indians in the Union who may desire to avail themselves of it the Union Government will organise a scheme of assisted emigration to India or other countries where Western standards are not required. The Union domicile will be lost after three years continuous absence from the Union. In agreement with the proposed revision of the law relating to domicile which will be of general application, emigrants under the assisted emigration scheme who desire to return to the Union within three years will only be allowed to do so on a refund to the Union Government of the cost of assistance received by them.

(4) The Government of India recognise their obligation to look after such emigrants on their arrival in India.

(5) Admission into the Union of wives and minor children of Indians permanently domiciled in the Union will be regulated by paragraph 3 of resolution XXI of the Imperial Conference of 1918.

(6) In the expectation that the difficulties with which the Union has been confronted will be materially lessened by the agreement now happily reached between the two Governments and in order that the agreement may come into operation under the most favourable auspices and have a fair trial, the Government of the Union of South Africa have decided not to proceed further with the Areas Reservation and Immigration and Registration (further provision) Bill.

(7) The two Governments have agreed to watch the working of the agreement now reached and to exchange views from time to time as to any chances that experience may suggest.

(8) The Government of the Union of South Africa have requested the Government of India to appoint an Agent in order to secure continuous and effective co-operation between the two Governments.

Details of the Agreement.

The following is the annexure containing a summary of the conclusions reached by the Round Table Conference on the Indian question in South Africa :—

I.—The Scheme of Assisted Emigration.

(1) Any Indian of 16 years or over may avail himself of the scheme. In the case of a family, the decision of the father will bind the wife and minor children under 16 years.

(2) Each person of 16 years of age or over will receive a bonus of £20. No maximum shall be fixed for a family. A decrepit adult, who is unable to earn his living by reason of physical disability may, at the discretion of the Union authorities, receive a pension in lieu of or in addition to the bonus. The pension will be paid through some convenient official agency in India out of a fund provided by the Union Government to such amount as they may determine. It is expected that the amount required will not exceed £500 per annum in all. In every case the bonus will be payable in India on arrival at the destination or afterwards through some banking institution of repute.

(3) Free passage including railway fares to the port of embarkation in South Africa and from the port of landing in India to the destination inland will also be provided.

(4) Emigrants will travel to India "via" Bombay as well as "via" Madras. Emigrants landing at Bombay will be sent direct from the ship to their destination at the expense of the Union Government. The survey and certification of ships shall be strictly supervised and conditions on voyage especially in respect of sanitary arrangements, feeding and medical attendance improved.

(5) Before a batch of emigrants leaves the Union, information will be sent to some designated authority in India at least month in advance giving (a) a list of intending emigrants and their families; (b) their occupation in South Africa and occupation or employment which they would require in India and (c) the amount of cash and other resources which each possesses on arrival in India. Emigrants will be (i) advised and so far as possible protected against squandering their cash or losing it to adventurers and (ii) helped as far as possible to settle in occupations for which they are best suited by their aptitude or their resources. Any emigrant wishing to participate in emigration schemes authorised by the Government of India will be given the same facilities in India as Indian Nationals.

(6) An assisted emigrant wishing to return to the Union will be allowed to do so within three years from the date of departure from South Africa. As a condition precedent to re-entry, an emigrant shall refund in full to some recognised authority in India the bonus and cost of passage including railway fares received on his own behalf and if he has a family on behalf of his family, a pro-rata reduction will, however, be made (i) in respect of a member of the family who dies in the interim, a daughter who marries in India and does not return and (ii) in other cases of unforeseen hardship at the discretion of the Minister.

(7) After the expiry of three years, the Union domicile will be lost in agreement with the proposed revision of the law relating to domicile which will be of general application. The period of three years will run from the date of departure from a port in the Union and expire on the last day of the third year, but to prevent abuse of the bonus and free passage by persons who wish to pay temporary visits to India or elsewhere, no person availing himself of the benefits of the scheme will be allowed to come back to the Union within less than one year from the date of his departure. For purposes of re-entry within the time

limit of three years, the unity of the family group shall be recognised, though in cases of unforeseen hardship the Minister of the Interior may allow one or more members of the family to stay behind. A son who goes with a family as a minor, attains majority outside the Union, marries there and has issue, will be allowed to return to South Africa but only if he comes with the rest of his father's family. In such cases he will be allowed to bring his wife and child or children with him. But a daughter who marries outside the Union will acquire the domicile of her husband and will not be admitted into the Union unless her husband is himself domiciled in the Union.

II.—Entry of Wives and Minor Children.

To give effect to paragraph 3 of the Reciprocity Resolution of the Imperial Conference of 1918 which intended that an Indian should be enabled to live a happy family life in the country in which he is domiciled, entry of wives and children shall be governed by the following principles:—

(a) The Government of India should certify that each individual for whom a right of entry is claimed is the lawful wife or child as the case may be of the person who makes the claim.

(b) Minor children should not be permitted to enter the Union unless accompanied by the mother, if alive, provided that (i) the mother is not already resident in the Union and (ii) the Minister may in special cases permit entry of such children unaccompanied by their mother.

(c) In the event of divorce no other wife should be permitted to enter the Union unless proof of such divorce to the satisfaction of the Minister has been submitted.

(d) Definition of a wife and child as given in the Indian Relief Act (No. 22 of 1914) shall remain in force.

III. Upliftment of the Indian community.

(1) The Union Government firmly believe in and adhere to the principle that it is the duty of every civilized Government to devise ways and means and to take all possible steps for the uplifting of every section of their permanent population to the full extent of their capacity and opportunities and accept the view that in the provision of educational and other facilities a considerable number of Indians who remain part of the permanent population should not be allowed to lag behind other sections of the people.

(2) It is difficult for the Union Government to take action which is considerably in advance of public opinion or to ignore the difficulties arising out of the constitutional system of the union under which functions of the Government are distributed between the central executive and provincial and minor local authorities; but the Union Government are willing (a) in view of the admittedly grave situation in respect of Indian education in Natal to advise provincial administration to appoint a provincial commission of inquiry and to obtain the assistance of an educational expert from the Government of India for the purpose of such inquiry; (b) to consider sympathetically the question of improving facilities for higher education by providing suitable hostel accommodation at the South African Native College at Fort Hare and otherwise improving the attractiveness of the institution for Indians; (c) to take special steps under the Public Health Act for an investigation into the sanitary and housing conditions in and around Durban which will include the question of (i) appointment of Advisory Committees of representative Indians and (ii) limitation of the sale of municipal land subject to restrictive conditions.

(3) The principle underlying the Industrial Conciliation Act (No. 11 of 1924) and the Wages Act (No. 27 of 1925) which enables all employees including Indians to take their places on the basis of equal pay for equal work will be adhered to.

(4) When the time of the revision of existing trade licensing laws arrives the Union Government will give all due consideration to the suggestions made by the Government of India Delegation that discretionary powers of local authorities might reasonably be limited in the following ways:—

(1) The grounds on which a licence may be refused should be laid down by statute.

- (2) The reasons for which a licence is refused should be recorded.
- (3) There should be a right of appeal in cases of first applications and transfers as well as in cases of renewals to the courts or to some other impartial tribunal.
- (4) The appointment of an Agent of the Government of the Union of South Africa to make representations to the Government of India to appoint an Agent in the Union or in order to secure continuous and effective co-operation between the two Governments. The Government of India will be willing to consider such a request.

Mr. Bhore's Speech.

Mr. BHORE, in commenting on the agreement, said :—The first point in the declaration by the Union Government that they firmly believe in and adhere to the principle that it is the duty of every civilised Government to devise ways and means and to take all possible steps for the uplifting of every section of their permanent population to the full extent of their capacity and opportunities and accept the view that in the provision of educational and other facilities considerable number of Indians who remain part of the permanent population should not be allowed to lag behind other sections of the people. This should dispel any apprehension that the maintenance of Western standards of life does not include upliftment of the Indian community to those standards.

As an earnest of their goodwill the Union Government propose: (1) To advise the Government of Natal to appoint a commission on Indian education; (2) to give attention to the provision of suitable hostel accommodation for Indians at the College at Fort Hare and to consider sympathetically other proposals to increase the alternativeness of that institution for them and; (3) to investigate the position in respect of sanitation and housing in Peri Durban area where the problem is understood to be acute and possibly elsewhere, and to consider in consultation with local authorities the most appropriate means of dealing with the situation including (i) formation of Advisory Committees of representative Indians and (ii) limitation of available municipal land sold with restriction under Durban Land Alienation Ordinance No. 14 of 1922, and Natal Boroughs and Township land Ordinance No. 5 of 1923. These ordinances enable Municipalities in Natal to transfer with the consent of the administrator land belonging to them under restrictive conditions of a racial character as to occupation or ownership. It is hoped that as a result of this investigation the principle of consultation between the Indian community and local bodies in matters of Municipal administration affecting the former may be established and more Municipal land of a suitable nature be made available for Indians for housing purpose. Industrial laws like the Industrial Conciliation Act of 1924, and Wages Act of 1925, will be administered so as to enable Indian employees in industry to take their place on the principle of equal pay for equal work.

The new emigration scheme.

The second point is the new scheme of assisted emigration which the Union Government propose to organise for those Indians who may desire to avail themselves of it. The hon'ble members are doubtless aware that section 6 of the Union Act No. 22 of 1924 known as the Indians Relief Act provides for the grant of a free passage from any port in the Union to any port in India to any Indian who makes a written request for such passage and signs as a condition of the grant of such request a statement that he abandons on behalf of himself and his wife and all minor children (if any) all rights possessed by him or them to enter or reside in any part of the Union, together with all rights incidental to his or their domicile therein. This is an essential feature of the existing scheme of voluntary repatriation. Under the new scheme the Union domicile will not be lost except by three years continuous absence from the union in conformity with a proposed revision of law which will be of general application, and an assisted emigrant wishing to return to the union within a period of three years, will be allowed to do so on repayment of the bonus and the cost of passage including railway fare which he may have received on his own behalf, and if he has a

family on behalf of his family. Any objection that there might be to the existing scheme of voluntary repatriation on the ground that it requires of Indians wishing to avail themselves of it an irrevocable surrender of their union domicile is thus removed.

Another feature of the new arrangement is that each person of 16 years or over will be free to choose for himself whether he will or will not avail himself of the scheme of assisted emigration. At present for the purposes of voluntary repatriation from South Africa 21 years is treated as the age of majority, and the union domicile of a person under that age has to be signed away by the father, if the latter wishes to avail himself of the free passage to India. It will be observed that the agreement provides for scheme of assisted emigration to be organised "To India and other countries." The phrase is intended to cover emigration to Indians who may return to India from South Africa to Federated Malay State and Ceylon under scheme of emigration from India to those countries which are now operative.

Wives and Minor Children of Indian Residents.

The third point is that in regard to entry into the Union of wives and minor children of Indians resident in the Union, the principle underlying the reciprocity resolution of 1918 will be maintained and that prohibition of entry of this class of persons after the 1st August 1933 which was contemplated in the Areas Reservation and Immigration and Registration (further provisions) bill is no longer envisaged.

Indian Representative in South Africa.

The fourth point is that in order to ensure effective and continuous co-operation between the two Governments, the Government of the Union of South Africa have requested the Government of India to appoint their agent in the Union. Direct relations between the two Governments will be permanently established if the Government of India accept the proposal, which is now receiving their earnest consideration.

Lastly, to inaugurate under the most favourable auspices the agreement which has now happily been reached between the Government of India and the Government of the Union, the latter have decided not to proceed further with the Areas Reservation and Immigration and Registration (further provisions) bill.

The Hon'ble Members will appreciate with what relief this decision will be received by the Indian community in South Africa. It is unnecessary to attempt an elaborate appreciation of the results of the Conference of which a brief summary has been given. The Hon'ble Members must judge for themselves. In doing so, it is hoped they would bear fully in mind the position as it was a year ago. The Government of India are of opinion that the agreement reached is eminently satisfactory and they have decided to ratify it. They are confident that the considered judgment of the Indian Legislature will be in favour of the action they have taken. The terms of the agreement reflect the utmost credit in our Delegation which negotiated it. The Government and the people of India owe a great debt of gratitude to the Delegation for the sagacity, skill, and expedition with which they accomplished a difficult and delicate mission. Nor must we forget the services of the Paddison Deputation whose admirable preliminary work made a Round Table Conference possible: but it will be readily admitted that these satisfactory results could not have been secured unless the Government of South Africa had entered the Conference in a spirit of friendliness and goodwill. In the reception which they gave to our delegates to the Conference and in the courageous and sympathetic statesmanship which their representatives brought to bear on the solution of the Indian problem in South Africa, we have received unmistakable proof of the earnest desire of the Government and people of the Union. The agreement which has to-day been announced to the house is a convincing proof of their goodwill. Let us treat it as such and endeavour to make it the basis of a lasting friendship between India and South Africa. It is not suggested that all outstanding questions between the two countries have been solved; but the Government of India are confident that if the spirit that prevailed at the recent Conference at Cape Town endures, the

ultimate solution of the Indian problem in South Africa in a manner that will be satisfactory and honourable to both countries is assured.

Dr. Malan's Speech.

On the same day, the 21st February, Dr. MALAN also made a statement in the Union Assembly on the South African Agreement. He emphasised that the agreement had been reached in the entire absence of spirit of bargaining and it had been a whole-hearted settlement. The results were not a diplomatic victory for either side, but there had been reached an honourable and friendly understanding. Naturally, South Africa had made reservations as to the just administration in the Union and Indians on their side had their own ideals. Both, however, had agreed to what, if not the ideal solution, was a practical and peaceable one and they had decided to give it a fair and reasonable trial. The Minister urged that the most important feature of all was that no stigma of racial inferiority was implied. South Africa could take all just and legitimate measures as to her western standard of civilisation and Indians conforming to those standards were enabled to do so. Indeed, the agreement indicated a lasting friendship and good-will between the great nations concerned.

Doctor Malan paid a tribute to the Members of Parliament, the Indian Press and the people of South Africa in creating an atmosphere which ensured the Conference being successful and this atmosphere had been so remarkable a feature of negotiations. The Minister concluded that now that the agreement had been published the expression of view could be expected, but he knew that once again he could rely on the good sense not only of Parliament but of the press and the people of the Union.

He paid a sincere tribute to the leader and members of the Indian deputation whose sincerity and desire for satisfactory solution had been the essence of statesmanship. Parliament and country hoped that success would crown their efforts for a new era both from the view-point of this country and the country which they served.

General SMUTS then asked that in view of the importance of the question the Government should give an opportunity for discussion. The Prime Minister willingly assented.

Debate in the Union Assembly.

The Assembly debate at Cape Town held from the 15th to 19th March was bitterly hostile to the Agreement, especially Natal. Mr. Patrick Duncan favourably supported it. But the ordinary members of all parties in the Assembly were hostile, though responsible leaders were sympathetic.

Mr. COLINS, Transvaal, opening the debate, stated that the whole white South Africa was grievously disappointed. The Union had been betrayed, surrendering everything and gaining nothing. The Agreement was entirely one-sided. No provision under it would effectively encourage Indian repatriation. The agreed statement between the two Governments upon this issue was useless, extravagant, and foolish from the Union viewpoint. The promise of trade licence denoted a tremendous concession. Indeed, it was a complete reversal of the current Transvaal policy. Mr. Tielman Roos had pledged the Nationalists Party to turn out the Indians. This Agreement kept them in the Union.

Mr. NEL, Natal, followed, saying that Indian delegates had cleverly jockeyed Dr. Malan into a funk hole. "We shall fight to the bitter end and win. We shan't run into the funk hole like the Minister of the Interior.

Dr. MALAN said that the clauses of the immigration scheme depended on the co-operation of the India Government. He hoped that nothing would be said to make that co-operation impossible. He paid a tribute to all sections of the community for keeping the whole question outside the party politics, but deprecated the speeches of Mr. Collins and Mr. Nel. He declared emphatically that

nothing had been given away and asserted that if the present arrangements were unworkable or unsatisfactory the Union would have the right at any future time to pass legislation dealing with the Indian question. What he said verbatim is as follows:—

"It will be obvious that the agreement which has been reached is more in the nature of an honourable and friendly understanding than of a rigid and binding treaty. By their decision not to proceed with the particular legislation which was contemplated last year, the Union Government has not in any respect or to any extent surrendered their freedom to deal legislatively with the Indian problem whenever and in whatever way they may deem necessary and just."

The New Asiatic Bill.

The points in the Agreement was embodied in a Bill styled the Immigration and India Relief (further Provision) Bill. This was laid on the table of the Assembly by Dr. Malan on the 12th April and introduced on the 9th May. On the latter day, Dr. MALAN, introducing the measure, stated that the Bill mainly implemented the Round Table Agreement with the Government of India. He detailed the provisions of the Bill and pointed out that 600 minor children were still entering the Union annually through the loophole left in the Indian Relief Bill, which allowed these children to enter unaccompanied by their mothers. Under the reciprocity agreement of the Imperial Conference of 1918, however, it was agreed between Dominion Governments and India that the children should be accompanied by their mothers. This was embodied in the new bill. A further anomaly was that owing to the decision of the Supreme Court registration certificates, even if fraudulently obtained, could not be cancelled. This would be abolished.

Mr. DUNCAN criticising the Bill suggested that the registration certificates already issued should not be disturbed by any raking up of the past, but a general amnesty should be called conducing to a favourable reception of the new immigration clauses.

Mr. ALEXANDER strongly supported the suggestion of amnesty saying that it would be a graceful act synchronising with the arrival of Mr. Sastri as Agent-General and leading to effective good-will between the two Governments and the people.

The Minister of the Interior Dr. Malan, noted the suggestion.

The Bill Passed.

On the 23RD JUNE there was a remarkable change of tone in the resumed debate on the Indian Bill. The second reading was passed practically unopposed, everyone being worn out.

Dr. Malan offered Transvaal amnesty in the matter of fraudulent entrants, letting bygones be bygones provided an assurance was given that such fraud would be prevented hereafter.

Mr. Marwick openly challenged Dr. Malan that, if the Indian Agreement was fully carried out, it would involve complete Indian citizenship.

Dr. Malan refused to take up the challenge, thereby implying that it was unanswerable. Dr. Malan paid the highest tribute to Mr. Sastri calling him the most honest, straightforward man he had ever met.

On the 25TH JUNE the bill passed the final stages (third reading) without amendments. The Ministers promised amnesty regarding the past fraudulent entrants into the Transvaal, provided the community guaranteed to do their best to stop illicit entry in future.

The Text of the Asiatic Bill.

The following is the text of the Bill "to amend the law relating to immigration and Asiatics" as drafted in accordance with the terms agreed

upon by the Round Table Conference between the Union and Indian Governments:—

Be it enacted by the King's Most Excellent Majesty, the Senate and the House of Assembly of the Union of South Africa, as follows:—

CHAPTER I.

1. Section two of the Immigrants Regulation Act, 1913 (hereinafter in this chapter called the principal Act), is hereby amended by the deletion:

(a) from sub-section (7) of the words "sufficient in the opinion of the Minister" and the substitution thereof of the following words: "fixed by the immigration officer, not exceeding one hundred pounds", and

(b) from sub-section (12) of the words "such amount as the Minister may determine" and the substitution thereof of the following words: "an amount fixed by the immigration officer, not exceeding one hundred pounds."

2. Section three of the principal Act is hereby amended—

(a) by the addition of the following at the end of sub-section (2):—

From the opinion of such superior court there shall be a right of appeal by the appellate or the immigration officer to the Appellate Division of the Supreme Court.

(b) by the deletion from sub-section (4) of the words "if he is a person seeking to enter the Union for the first time" and by the addition of the following at the end thereof:—

In the event of an appeal under sub-section (2) to the Appellate Division the appellant shall lodge with the registrar such further amount as the registrar may determine for any costs that the Appellate Division may award against him.

3. Section four of the principal Act is hereby amended by the insertion in paragraph (f) of sub-section (1) after the word "rape" of the following words: "incest, sodomy."

4. Section five of the principal Act as amended by section three of the Indians Relief Act, 1914, is hereby further amended—

(a) by the addition at the end of paragraph (e) of the words "provided that such person, if born outside the Union, enters or is brought into the Union within three years from the date of his birth";

(b) by the addition at the end of paragraph (g) of the words "and provided further that no child who is not accompanied by its mother shall be admitted unless its mother is already resident in the Union or is deceased, or the Minister in any special case authorises the admission of such child."

5. Section ten of the principal Act is hereby amended by the addition at the end thereof of the following new sub-section (2), the existing section becoming sub-section (1):—

(2) Any such prohibited immigrant shall be dealt with in terms of section nineteen. If he is in possession of a registration certificate or a certificate of domicile, or any other document authorising him to enter, reside or remain in the Union or any province, it shall be competent for any Board to which he may appeal, if it is proved to the Board that such certificate or other document was obtained by fraudulent representations made by him or on his behalf, in order that such certificate or other document be cancelled and that he be dealt with in terms of this Act. Provided that if he does not appeal to a board, the principal immigration officer concerned shall cancel such certificate or other document."

6. Section thirteen of the principal Act is hereby amended by the deletion from sub-sections (3) and (5) of the word "Minister" and the substitution thereof of the words "immigration officer."

7. Section fourteen of the principal Act is hereby amended by the deletion of the word "Minister" and the substitution thereof of the words "immigration officer."

8. Section nineteen of the principal Act is hereby amended by the addition of the following new sub-section:—

(3) Any person who—

(a) illegally enters the Union; or

(b) being a person deemed by the Minister in terms of paragraph (a) of sub-section (1) of section four to be unsuited either individually or as a member of a class of persons, illegally enters any province, and fails to appear before or notify an immigration officer of such entry within eight days shall be guilty of an offence under this Act.

(4) If any person who was not born or is not domiciled in the Union—

(a) fails to declare on the prescribed form that he is suffering from tuberculosis; or

(b) is not reported on arrival by the master or surgeon of the ship which conveyed him to the Union to be suffering from tuberculosis; and

(c) is found, within six months from the date of his landing at any port in the Union, to be suffering from tuberculosis, the master, owner or agent of such ship shall be responsible for his removal from the Union without expense to the Government, and shall be liable for the cost of his maintenance in the Union and for such other expenditure incurred by the Government in respect of such person, to an amount to be fixed by an immigration officer, in all not exceeding one hundred pounds, to be paid on demand of the said officer.

9. Section twenty-two of the principal Act is hereby amended by the insertion of the word "or" at the end of paragraph (c) and by the addition of the following new paragraph after paragraph (c):—

(d) for any offence under section twenty.

10. Section thirty of the principal Act is hereby amended by the deletion of the definition of the term "domicile," and the substitution thereof of the following definition:—"domicile" shall mean the place in which a person has his present permanent home or present permanent residence, or to which he returns as his present permanent abode, and not for a mere special or temporary purpose; and a person shall not be deemed to have a domicile within the Union or any province (as the case may be) for the purposes of this Act unless he has lawfully resided therein for a continuous period of three years, otherwise than under terms of conditional or temporary residence permitted by this Act or any other law, or as a person under detention in prison, goal, reformatory or mental hospital, and a person shall be deemed for the purposes of this Act to have lost his domicile within the Union if he absents himself from the Union and does not re-enter the Union within three years from the date of departure therefrom, whether or not he is in possession of a registration certificate or a certificate of domicile or any other document issued under any prior law permitting his entrance to or residence in or recognising his domicile in the Union or any province thereof: Provided that in cases where a person proceeds abroad for a special or temporary purpose the Minister may authorise the issue of a certificate of identity under the provisions of sub-section (2) of section twenty-five allowing the person concerned to return to and resume his residence in the province named within the period specified in such certificate or any extension thereof, not exceeding ten years in all. Domicile in the Union shall be lost by any woman whose marriage has been dissolved during her absence from the Union.

CHAPTER II.

11. Section six of the Indians Relief Act, 1914, is hereby deleted and the following substituted therefor:—

"6. (1) The Minister may in his discretion cause to be provided out of moneys appropriated by Parliament for the purpose of financial assistance and a free passage from any place in the Union to any place outside the Union for any adult Indian (other than an Indian who is or may become entitled under Law No. 25 of 1891, Natal, or any amendment thereof, to a free passage to India) in respect of himself and his family (if any), provided that such Indian makes a written request on the form prescribed by regulation for such financial assistance and free passage and agrees in writing to the following conditions:—

(a) Such Indian shall, if married, be accompanied by his family (if any) upon departure from the Union;

(b) such Indian shall furnish to an officer designated by the Minister such means of identification as may be prescribed by regulation of himself and each member of his family;

(c) such Indian and his family (if any) shall not re-enter the Union within one year from date of departure from the Union, but may re-enter the Province of the Union in which he is domiciled after the expiry of one year from the date of departure, but not later than the date of expiry of three years from the date of departure from the Union. Provided that—

(i) all money paid in terms of this section to or on behalf of such Indian in respect of himself and his family (if any) are repaid in full to an agent of the Union Government duly appointed thereto, before departure from the country to which such Indian emigrated, and proof of such payment in such form as may be prescribed is produced on arrival at a Union port;

(ii) such Indian and his family (if any) excluding any member thereof who may have died in the interim and excluding any daughter who since the date of departure from the Union, has married a person not entitled to enter or to remain in the Union, shall re-enter the Union simultaneously. Proof of any such death or marriage to the satisfaction of the Minister must be produced. In case of unforeseen hardship the Minister may in his discretion exempt the Indian or any member of the family from re-entering the Union. In such cases, or in the event of the death of the Indian or a member of the family, the repayment in respect of the person concerned as provided in sub-paragraph (i) of this paragraph may be remitted;

(d) unless such Indian accompanied by his family (if any) or in the event of the death of such Indian, his family re-enters the Union as prescribed in paragraph (c) of this sub-section, he and all the members of his family (if any) shall be deemed to have voluntarily and finally abandoned all rights possessed by him or them to enter or reside in any part of the Union, together with all rights incidental to his or their domicile therein, and the fact that re-entry did not take place within the time specified in paragraph (c) of this sub-section shall be conclusive evidence of such abandonment.

(2) For the purposes of this section—"adult Indian" shall mean an Indian of either sex of sixteen years of age or over and an Indian woman who has been married;

"family" shall include the wife of an emigrant Indian and all children of any emigrant Indian who were not adult Indians at the date of departure from the Union;

"date of departure from the Union" shall mean the date of departure from a port;

"port", shall have the same meaning as defined in section "thirty" (Act No. 22 of 1923).

CHAPTER III.

12. A registration certificate issued under the provisions of the Asiatic Law Amendment Act, 1907, of the Transvaal (Act No. 2 of 1907), or the Asiatics Registration Amendment Act, 1908, of the Transvaal (Act No. 36 of 1908), may by an instrument in writing be surrendered by the holder to the Registrar of Asiatics, and such surrender shall be conclusive evidence that such holder has abandoned any right of or incidental to entry, residence or domicile in the Transvaal Province.

13. If an Asiatic who has failed to make application for registration in accordance with the provisions of paragraph (2) of section five of the Asiatics Registration Amendment Act, 1908 of the Transvaal satisfies the Minister that such failure was due to some good and sufficient cause, the Minister may, in his discretion, authorize the Registrar to receive an application for registration from such Asiatic, and the application shall be dealt with in all respects as if it had been made in accordance with the provisions of the said section and all the provisions of Act No. 36 of 1908 of the Transvaal as amended by this Act which would have applied if the application had been so made, shall apply accordingly.

14. Section seven of the Asiatic Registration Amendment Act, 1908, of the Transvaal, is hereby amended by the deletion of the words "save as in the next succeeding section is provided."

15. Section nine of the Asiatic Registration Amendment Act, 1908, of the Transvaal, is hereby amended by the deletion of the last sentence thereof.

16. Section thirty-four of the Chinese Exclusion Act No. 37 of 1904 (Cape of Good Hope), is hereby amended by the deletion of the words "shall be deported" and the substitution therefor of the words "may, in the discretion of the Minister, be deported."

CHAPTER IV.

17. The Governor-General may make regulations, not inconsistent with this Act, for the better carrying out of the objects and purposes of this Act.

18. The laws mentioned in the schedule to this Act are hereby repealed to the extent set out in the fourth column of that schedule.

19. This Act may be cited as THE IMMIGRATION AND INDIAN RELIEF (FURTHER PROVISION) ACT, 1927.

Mr. V. S. S. Sastri's Appointment.

The following Government of India communique was issued on the 7th May 1927:—"In the announcement made on the 21st February 1927 in the two Houses of the Indian Legislature regarding the Agreement reached between the Government of India and the Government of the Union of South Africa it was stated that the Government of the Union had requested the Government of India to appoint an Agent in South Africa in order to secure continuous and effective co-operation between the two Governments. The Government of India have decided to appoint the Right Hon. V. S. Srinivasa Sastri, P. C., as their first Agent in South Africa".

Mahatma Gandhi's Views.

Mahatma Gandhi wrote the following article headed "Honourable Compromise" on the South African Settlement in the "Young India":—

The Assisted Emigration Scheme.

Sir Mahomed Habibullah and his colleagues are to be congratulated upon having secured a settlement that is honourable to both parties. It is not the best that could be conceived, but it is the best that was possible. I doubt if any other deputation could have done more. The Class Areas Bill which brought about the Conference and round which the battle raged is dead and gone. The Right Hon'ble Srinivasa Sastri who, when the deputation sailed for South Africa, was of all members the most communicative and had warned us not to expect much, did not conceal at the end of the labours of the Conference his satisfaction at the result. A perusal of the settlement warrants satisfaction; but like all compromises this one is not without its danger points. The dropping of the Class Areas Bill is balanced by repatriation re-emerging as re-emigration. If the name is more dignified, it is also more dangerous. Repatriation could only be to India, re-emigration can be to any country. The following sentence in the settlement clearly points to that interpretation:—"The Union Government, therefore, will organise a scheme of assisted emigration to India or other countries where Western standards are not required." This assisted emigration to other countries, I hold to be dangerous; for there is no knowing what may happen to poor ignorant men going to an unknown land where they would be utter strangers. Such countries as would take them would only be either Fiji or British Guiana. Neither has a good name in India. It is decidedly a disadvantage to have been a party to assisted emigration to any other part of the world. The good point about this assisted emigration is that whereas before the settlement repatriates lost their domicile, re-emigrants now retain it and lose it only if they absent themselves so long as to warrant the inference that there is no intention

to return to South Africa. How many assisted emigrants can hope to refund the assistance money they might have received or how many can hope to return with their families is a different question. The non-forfeiture clause is clearly designed not so much to guarantee a substantial right as not to hurt national self-respect.

Indians in Durban.

The annexure containing a summary of the conclusions reached by the Round Table Conference on the Indian question in South Africa is a remarkable document betraying in every paragraph a heroic attempt to reconcile conflicting interests and sentiments. An industrious reader will have no difficulty discovering the hopeful paragraphs. I shall, therefore, content myself with drawing attention to a para that is fraught with grave danger. The Union Government is to take special steps under the Public Health Act for an investigation into sanitary and housing conditions in and around Durban which will include the question of limitation of sale of municipal lands subject to restrictive conditions. I do not know what is aimed at in this paragraph but my suspecting mind (and my suspicion is based upon previous bitter experience of interpretations, warranted and unwarranted, that a strong party places upon agreements with a weak party to the latter disadvantage) conjures up all kinds of frightful consequences arising from this proposed committee and limitation. Already, the Durban Corporation has been invested with powers which it has utilised for the suppression of its Indian citizens. So far as I know, a committee can bring to light nothing that is not known to the Corporation or Government. The appointment of an Advisory Committee of Indians may be a simple padding. The Health Committee may bring in a historical report as a previous committee to my knowledge has done and limitation may be put upon the purchase of Municipal lands by Indians which may cramp the Indian community residing in Durban. Nor do I like the paragraph which seems to imply that provincial governments are at liberty to take any action they might against Indian settlers without reference to the Central Government. But the compromise is acceptable in spite of the dangers referred to by me, not so much for what has been actually achieved as for almost sudden transformation of the atmosphere in South Africa from one of remorseless hostility towards Indians to that of a generous toleration, from complete social ostracism to that of admission of Indians to social functions.

In lian Representative in South Africa.

Mr. Andrews sends me glowing accounts of the utmost cordiality with which Indian members of the Deputation were received alike by the Government and the people, how local Indians were able to gain entry to the most fashionable hotel in Cape Town without any let or hindrance and how Europeans in South Africa were flocking to him to know all about the Indian Deputation and the Indian question. If this atmosphere of goodwill and sociability is kept up and encouraged, the settlement can be used as a solid foundation for erecting a beautiful temple of freedom for Indian settlers in South Africa. But the success of the settlement very largely depends upon the selection of a Consul or Commissioner who will be selected to represent the Government of India. He must be a person of eminence, great ability, and strength of character, and in my opinion, he must be an Indian. The very fact of his being an Indian will strike the imagination of the European population and raise the Indian settlers in European estimation and will reach the heart of Indians in a way no Englishman, not even perhaps Mr. Andrews, can and if a man can be selected who will command equal esteem of the Union Government, we need not fear the future. Such a man, in my humble opinion, is Mr. Srinivasa Sastri. I cannot conclude this hasty survey of the settlement without placing on record my deepest conviction that the happy result is predominantly due to the ceaseless and prayerful labours of that godly, self-sacrificing Englishman, Charlie Andrews.

Indians in Fiji.

Early in January 1927 the Government of India published papers relating to the position of the Indian community in Fiji which formed the subject of representations made to the Secretary of State for Colonies by the Colonies Committee of the Government of India. It will be remembered that this Colonies Committee under the Chairmanship of Sir Hope Simpson was sent in 1924 charged primarily with its Kenya Emigration Bill which was afterwards dropped. (See Register 1923 Vol. II, p. 353; 1924 Vol. I, pp. 297-372; 1924 Vol. II, p. 328). The Committee was charged at the same time with making representations to the Colonial Office regarding the position of Indians in Fiji. The following is the correspondence between the Government of India, the India Office and the Colonial Office all ending with the despatch of the Government of India dated the 27th May 1926.

The position as it presents itself after a perusal of the whole correspondence is this: that three out of twelve non-official seats in the Fiji Council are given to Indians, who have now only one seat. Secondly, the question of municipal franchise would be examined by the Local Committee in Fiji on which Indians would be represented and a representative of the Government of India would be allowed to occasionally visit Fiji and make report upon specific questions under certain conditions. The correspondence started with the submission of a memorandum by the Colonies Committee setting forth the grievances of Fiji Indians.

Colonies' Committee's Representations.

The Committee on the question of Indian political status, submitted that under the deed of cession Fiji was ceded as a possession and dependency of the British Crown subject to a condition among others that the rights and interests of the high chiefs should be recognised so far as is consistent with British sovereignty and colonial form of Government. The Colonies Committee appreciate that this implies that these interests must be maintained and have no desire to question this. But elective representation on the Legislative Council at present enjoyed by the European community is presumably regarded as not inconsistent with the terms of the deed of the cession and it can hardly be argued that the grant of a similar status to their Indian fellow-subjects would infringe those terms. Communal franchise as applied in the colonies where Indians do not form a minority community is regarded in India as a system which is intended to assign an inferior status to Indians as compared with their British fellow-subjects and to limit the growth of their political influence in the colonies. As the chief labour force Indians in the islands are playing a part essential to the prosperity of the colony. In the circumstances the proposal of the Indian deputation to Fiji that if communal franchise is adopted equal representation should be accorded to the European and Indian communities appears to the Committee to be fully justified. The Colonies Committee submit that the importance of the Indian community is not adequately represented by the number of seats which it is proposed to allot to them and that no measure which does not accord to the Indian community on a communal basis representation in the Legislative Council at least numerically equal to that already accorded to the non-official European community can be regarded as consistent with the principle of equality of status.

Regarding municipal franchise the Committee said that the Ordinance of 1915 which was a measure which resulted in the virtual extinction of Indian representation on municipal council for the last nine years required modifi-

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cation. The Committee then objected to poll tax at one pound per head as a tax which would fall with severity on Indians and suggested modifications. Lastly, the Committee wanted appointment of an agent of the Indian Government in Fiji to keep them supplied with correct information and thereby dispel misunderstandings.

Reply from the Colonial Office.

The Colonial Office replied in March 1925 emphasising the position created by the deed of cession and emphasised that Indian representation could be provided only on communal basis. The Secretary of State for Colonies added: "It is proposed that the Fijian representation should be similarly increased to three. The Secretary of State further proposes that the number of European unofficial members should be reduced by one so that they will not have a majority over the Indian and Fijian representatives. It is understood that the members of the Committee were agreed that the official majority must be retained and the number of official members will be increased accordingly to preserve the necessary majority.

"In connection with the question of Indian representation a further special consideration and one to which the Secretary of State is inclined to think that no sufficient weight has been given, arises from the fact that a very large proportion of the Indian residents in Fiji are entitled to repatriation to India at the cost of the Fiji Government. Of the total Indian population in the colony estimated at about 65,000 it is reckoned that approximately 49,500 are entitled to repatriation to India at the cost of the Fiji Government. In addition there are upwards of 3,000 Indians introduced during 1915 and 1916 who will, in course of time, become entitled to this privilege."

On the question of appointing an agent, the Colonial Office said that "when oral representation of Indians in Fiji have been reasonably met, Indians will have ample means of securing the adequate consideration and discussion of their views and interests without the intervention of the Government of India and that it is to their own representatives and not to the agent of another Government that they should look to express their point of view and to defend their interests. The Colonial Government will, however, invite the Legislative Council to provide the funds necessary for the appointment of a senior officer to take charge of Indian affairs with a seat on the Legislative Council and further in order that reliable information as to the present economic condition of Indians may be available, it is proposed that a committee should be immediately appointed on which the Indian community should be represented to enquire into the facts and report their findings to the Colonial Government who would publish the report and furnish copies to the Government of India."

The Government of India's Decision.

The Government of India renewed the request that Indians should be given the right to elect representatives equal to the number of Europeans. On the question of appointment of the agent, the Government of India said that they would be satisfied if a representative was allowed to visit the colony periodically and report the condition of Indians. But the Colonial Office found no reason to modify its views. The India Office thereupon informed the Government of India: "The present correspondence regarding franchise and other matters relative to the position of Indians in Fiji arises from the representations made by the Colonies Committee to the Colonial Office in 1924. The proposals made by the Colonial Office as a result of representations of the Committee are quite independent of the question of the resumption of Indian emigration to Fiji and is understood that the latter question has at any rate for the time being lapsed. This being the case, the Secretary of State considers that a welcome opportunity of improving the position of Indians in Fiji is offered by the Colonial Office's policy in regard to the franchise, the recession of occasional visits of a representative of the Government of India

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and other important matters affecting their welfare which were dealt with in the Colonial Office letter of 20th March 1925. This policy, apart from its another aspects, would effect a material improvement in the political status of Indians by giving them three out of twelve non-official seats in the Legislative Council in which only one Indian seat is at present provided for. The Earl of Birkenhead regards these results of the action taken by the Colonies Committee in 1925 as a matter for congratulation and he hopes that the Government of India will now agree that the offers made should be accepted. He feels strongly that it would be undesirable by pressing again for additional concessions to cause further delay in giving effect to the policy and incur a risk of its not being adopted. In his view, the concessions now offered a reasonable basis of settlement and he would not feel justified in supporting a demand for further concessions."

The Government of India finally replied that they adhere to their opinion that "the representation proposed for Indians is inadequate. But as the Colonial Office are at present unable to move further in the direction advocated by them, they are prepared to acquiesce in the proposals made and would be glad if the Letters Patent can be amended as proposed in time to enable Indians to elect their representatives at the next election."

Indians in Australia.

That the position of Indians in Australia had considerably improved and their interests were well looked after is evident from a communique issued by the Government of India early in January 1927. It says :—

"By Acts which have recently been passed by the Commonwealth of Parliament, the British Indians in Australia have been admitted to benefits of invalid and old age pensions and maternity allowances. Old age pension is payable to men above 65 years of age or above 60 years if they are permanently incapacitated for work and to women above 60 years provided such persons are of good character and have resided continuously in Australia for at least 20 years. Invalid pension is obtainable by persons who, being above 16 years of age and not in receipt of an old age pension, have whilst in Australia become permanently incapacitated for work by reason of an accident or by reason of being an invalid or blind provided they have resided continuously in Australia for at least five years. Maternity allowance, which has been extended to the Asiatic mothers in Australia who are British subjects, amounts to £5 and is given to a woman for every child to which she gives birth in Australia provided the child is born alive and the woman is an inhabitant of the Commonwealth or intends to settle therein."

The Anti-Colonial Congress.

The International Anti-Colonial Congress which commenced its sittings at the Palais D'Egmont, Brussels on the 10TH OF FEBRUARY 1927 and closed its sessions after six days of almost continuous sitting, marks a new chapter in the history of the world. It was the most representative gathering that had met in any town in Asia, America or Europe. It was international not only in spirit but also in representation. Unlike the other International Congresses held at Geneva, Washington and other European towns, it did not consist of delegates from only a few European Imperial powers, assembled to devise better and subtler means to maintain and promote separate national and class interests. Delegates from all parts of the world, from India, China, Syria, Arabia, Korea, Indonesia, Indo-China, Annam, Japan, South and North Africa, North and Latin America and almost every European State, turned up at Brussels, in spite of the short notice and insufficient press propaganda. No less than 175 mandatory delegates and 300 visitors were present. It was an impressive sight to see the black and the white, the brown and the yellow, delegates from Imperialist countries, from colonial and semi-colonial lands, representatives of national and labour organisations assembled in the large hall of Palais D'Egmont in the ancient and historic town of Brussels.

Mr. Nehru's Statement on Behalf of India.

On the day previous to the formal opening of the Congress the delegates of the important countries met the representatives of the Press and made separate statements. The following is the full text of Mr. Jawahar Lal Nehru's statement to the press. Mr. Nehru was the delegate of the Indian National Congress to the Brussels Congress. —

"I am glad to have the opportunity to associate myself on behalf of the Indian National Congress and the people of India whom it represents, with the aims and objects of this International Congress. The Indian National Congress stands for the freedom of India; freedom for the poor and the oppressed from all exploitation. We welcome this International Congress because, as we understand it, it has been called together to further these aims and objects in the international sphere. We realise that there is much in common in the struggle which various subject and semi-subject and oppressed peoples are carrying on to-day. Their opponents are often the same, although they sometime appear in different guises and the means employed for their subjection are often similar. Contact between the various peoples will lead to a better understanding of each other's problems and difficulties and is bound to result in closer co-operation which must bring success nearer to all. The fabric of Imperialism looks imposing and appears to hold together, but any rent in it will automatically lead to its total destruction.

"The Indian National Congress is necessarily national and has nationalism as its basis, but as our great leader Mahatma Gandhi had said, our nationalism is based on the most intense internationalism. The problem of Indian freedom is for us a vital and urgently essential one, but at the same time it is not merely a purely national problem. India is a world problem and as in the past so in the future other countries and peoples will be vitally affected by the condition of India.

"To-day the strongest and the most far-reaching Imperialism is that of Britain and British Imperialism and policy always have had India as their corner stone. Both Egypt and other parts of Africa have suffered domination because British Imperialism wanted to strengthen its hold on India and to protect its sea routes to that country. The importance of India and her future for this International Congress is thus obvious.

"The Indian National movement has welcomed with the liveliest sympathy and hope the successes of the Nationalists in China. It has been a matter of shame and sorrow to us that the British Government should venture to send Indian troops to China in an attempt to coerce the Chinese. You are probably aware that the Indian National Congress has protested in the strongest language against this and the Nationalist members of the Indian Legislature wanted to raise this question in the Legislative Assembly, but the English Viceroy exercised his veto on the ground that it raised matters of foreign policy. Mahatma Gandhi and the Indian leaders have emphatically on behalf of the people of India expressed their ardent hope that the Chinese Nationalists will bring about the final emancipation of China. The Indian press have condemned the Government action and mass meetings have been held in various parts of the country for the purpose. India to-day is with China, not only because she has every sympathy for her but because she feels that China's successful fight is the most hopeful sign of the future downfall of imperialism. As of old imperialism trying to utilise one subject country to coerce another, but in spite of her weakness India is not so weak to-day as to permit herself to be employed as a pawn in the imperialist game.

"The attempts to use India against China make it all the more necessary for the forces of nationalism in the subject nations to co-operate together for the common good. And I trust that this Congress will help us to bring about this co-operation and will thus bring nearer the freedom of oppressed nationalities".

Opening of the Congress.

The Congress opened formally on the 10th evening, Mr. S. O. DAVIS of the British Miners' Association presiding. The President, in his introductory remarks, explained the close connection between capitalism and imperialism. He proved that the first always led to the second. This meant that, at an early date, earlier than the imperialists expect, the entire labour organisation of the imperialist countries is bound to lend its fullest support to the national movements in the colonial and semi-colonial countries. The principal speaker of the evening were Messrs. Lian, representative of the executive of the Kuo Min Tang, Henri Barbusse, the well-known French author, Jawahar Lal Nehru, Katayama, the veteran Japanese social worker, Vasconcellos, Minister of Education in Mexico and Fenner Brockway, the Secretary of the Independent Labour Party of England. Speaking on behalf of the Indian National Congress, Mr. Nehru gave a short but very clear exposition of its aims, methods and results of British imperialism in India. He pointed out that the Indian question was an international one, that neighbouring countries like Afghanistan, Burma, Persia, Mesopotamia were deprived of their independence by the English to safeguard their most prized possession—India. He also drew the attention of the Congress to the fact that Indian men and money were being used to fight the wars of a foreign imperialism, and to oppress other nations. Concluding, Mr. Nehru demanded the withdrawal of all foreign troops of occupation from his country and the immediate recognition of Indian independence. Mr. Katayama urged the leaders of the national movements in colonial countries and of the labour organisations in the oppressing countries to be uncompromising in their demands. He pointed out the efficiency of economic boycott for gaining national liberty. The ex-Minister of Education in Mexico, gave a lengthy account of that most terrible of all imperialisms, imperialism of the United States, with its subtle methods, sometimes termed "policy of peaceful penetration" and at other times "Dollar Diplomacy." The United States, said the speaker, had been built through cruelty, and now and this modern miracle was to-day threatening the whole humanity. The speaker of the evening was Mr. Fenner Brockway of the Independent Labour Party. Mr. Brockway denounced the British rule of exploitation in India, demanded the policy of sending troops to China and assured the Indian and Chinese delegation, the fullest sympathy of his party in their struggle to emancipate their countries from the clutches of a foreign and oppressive imperialism.

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During the busy days that followed the representatives of various countries spokespoising the methods and aims of imperialism in the different countries. It was a curious fact, as Mr. Nehru pointed out in his statement to the press, that in all the oppressed countries, wherever the oppressors be, their aims and methods were similar. In other words, there was nothing to choose between the British imperialism in India, the Japanese imperialism in Korea, the Dutch rule in Indonesia and the French administration in their different colonies.

On the SECOND DAY of the Congress Mr. Lacleburg, member of the German Parliament, made a long speech urging the nations to maintain an united front and exposing the ways of the British Parliamentary Labour Party. He recalled another International Congress, the Stuttgart Congress. The Stuttgart Congress passed a resolution condemning the colonial administration of the Imperial powers and advocating the rights of every country for complete independence and self determination. Mr. MacDonald was one of those who had voted for the resolution. He then referred to the later development in Mr. MacDonald and how the Radical Socialist of 1907 became the Minister for Foreign Affairs in the first Labour Government. Another well-known man who was present at Stuttgart in 1907 and who had also voted on behalf of the resolution was Mr. Vanderweld who to-day is the Minister of Foreign Affairs in Belgium and who also refused the organisers of the Brussels anti-Colonial Congress to make a public demonstration through the streets of Brussels. The speaker asked the leaders of the Labour organisations in the imperialist countries, not to lose confidence, but to unite their forces with the national movements in the Colonial and oppressed countries in their fight against imperialism and class oppression.

Mr. Harry Pollit, speaking on behalf of the Left wing of the Labour movement in England, made a spirited speech in which he explained that the working classes in England were coming to realise at last that the British occupation of India and other Asiatic and African countries and the transference of British capital from the Home country to India and China, meant unemployment and lowering of the standard of life for the British worker. The fact alone was driving the Labour movement in England more and more to the Left. The desire to support India in her movement for independence was therefore not a matter of mere sentiment to the British worker. To him it was a question of his life and existence. In other words, to the large masses of working classes in England, the occupation of India by England meant only unemployment and misery. To them India was a losing concern and therefore they were ready to adopt every step to educate the public opinion in England to demand the recognition of Indian independence. He also explained that the revolutionary movement among the working classes was gaining strength every day. As an example he told the audience that, while the troops who were being shipped to China were parading through the streets of London, the members of his organisation distributed pamphlets calling on the soldiers not to shoot their Chinese fellow-workers in the event of a war. He further informed them that every soldier in the troopship sailing to China had in his hand a pamphlet explaining the nature of the struggle in China. The military authorities were aware of these activities of the British Labour organisation: but they recognised the strength of the working class movement and wisely refrained from taking any action. Referring to the sending of Indian troops to China, he said that the step was taken, more with a view to measure the strength of the national movement in India.

On the THIRD DAY of the Congress there were enthusiastic scenes when the President announced that the leader of the recent Syrian "revolt" on whom the French Government had passed a death sentence, and two generals from the Cantonese army had arrived. The whole audience stood on its feet for full five minutes and gave a tremendous reception to these distinguished arrivals. They explained the nature of the movements in Syria and China, showing how the movements in their countries were only part of the world-wide movement for national and social emancipation. Mr. George Lansbury who arrived on the fourth day, having been detained in London on account of the Chinese debate

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in the House of Commons, in his fighting speech fully maintained his reputation both as an orator and a social worker. He pointed out the international significance of the Chinese movement, how it represented an essential step towards social progress of the whole world. This fact alone, in his opinion, made it the duty of every country to lend active support to the efforts of the Cantonese to free themselves from the bounds of foreign imperialism. Mr. Lansbury also pointed out that at the present stage a policy of pacifism was likely to prove of help only to the imperial powers. Finally, he drew the attention of the delegates of the countries to the dangerous and deliberate propaganda carried on in all the countries by the imperialist powers in order to mobilise the opinion of the world against Russia. At the end of his speech, delivered with much feeling, Mr. Lansbury warmly embraced the General of the Cantonese army. The whole audience felt the sincerity of that act, and spontaneously stood on its feet. Dr. Helene Stöcker, the well-known German doctor and editor of "The New Generation", who also maintains a nursing home in Berlin for unmarried mothers, in a short speech, explained the merits of Gandhi's doctrine of non-co-operation and passive resistance. She also classified women among the oppressed classes of the world and emphasised the need of emancipating the women in any scheme of social regeneration.

Almost the last to speak was M. Edo Fennen, Secretary of the International Transport Workers' Association, which is the most important and influential of all the labour organisations in the aid of statistics drawn from official sources how the employment of European capital in India and China was leading to unemployment and misery in Europe. In the 18th and 19th century, the colonies were a paying concern. But to-day things have changed. Capital being international, it was being quickly transferred to countries with cheaper labour. As an example, he mentioned the fact that more than half of the Chinese textile industry was in the hands of foreign capitalists. This industry alone employed more than three million hands. The hours of work in most cases extended to 10 hours per day, Sundays not excluded. Nearly 26 per cent of the workers were drawn from children. It was easy to understand the effects of these developments on the international labour market. The working classes in Europe were awakening to these facts and this explained why they were prepared to make common cause with the national movements in the oppressed countries. He also informed the audience that in Shanghai and other industrial towns of China, Chinese capitalists were less exploiting than the capitalists from the so-called "civilised countries." Speaking on behalf of an association which had the power of bringing the whole machine of modern industrial civilisation to a standstill, M. Fennen expressed his hope that a well-organised strike would bring them all to their final goal at an early date.

Resolutions.

I. CHINA AND INDIA.

The last day of the Congress was devoted mainly to the passing of resolutions. Very nearly 40 resolutions were passed. Three of them are of special importance to India. The first was the resolution of the Indian delegation, moved by the Congress delegate, Mr. Nehru:—

"This Congress records its warm support to the Indian National movement for complete freedom of India and is of opinion that liberation of India from foreign domination and all kinds of exploitation is an essential step in full emancipation of the peoples of the world. This Congress trusts that peoples and workers of other countries will fully co-operate in this task and will specially take effective steps to prevent the despatch of foreign troops to India and the retention of an army of occupation in that country. This Congress further trusts that the Indian National movement will base its programme on the full emancipation of peasants and workers of India without which there can be no real freedom and will co-operate with movements for emancipation in the other parts of the world".

2. TASK OF THE WORKING CLASS FORCES.

The delegations of British, Indian and Chinese nationalities made the following statement as to the task of working class forces:—

"We British, Indian and Chinese delegations consider that the task of all working class forces in Imperialist countries is (a) to fight for full emancipation side by side with national forces in oppressed countries in order to secure complete independence wherever such national forces so desire, (b) to oppose all forms of coercion against colonial peoples, (c) to vote against all credits, naval military and air, for maintenance of armed force to be used against oppressed nations, (d) to expose the horrors of imperialism to civil and military populations, and (e) to expose imperialistic policy in the light of the working class struggle for freedom".

3. THE CHINESE SITUATION.

"In relation to the immediate situation in China (1) we demand the immediate withdrawal of all armed forces from Chinese territory and waters; (2) we urge the need of direct action including strikes and imposition of embargo to prevent movements of munitions and troops either in India or China and from India to China; (3) estimates relating either to warlike preparations or to war shall be voted against; (4) in the event of armed intervention or open war, every effort shall be made within the labour movement to use every weapon possible in working class struggle to prevent hostilities; (5) we demand the unconditional recognition of the Nationalist Government, the abolition of unequal treaties and of extra-territorial rights and surrender of foreign concessions; and (6) finally, in the interests of trade union and labour movements in Britain, India and China, we pledge ourselves to work for their immediate close and active co-operation".

4. INDO-CHINESE RELATIONS.

A joint declaration was made by the Indian and Chinese delegates on the relations between India and China in the following terms:—

"For more than three thousand years the people of India and China were united by the most intimate cultural ties. From the days of Buddha, to the end of the Moghul period and the beginning of British domination in India, this friendly intercourse continued uninterrupted.

"After the East India Company had secured its firm hold on the greater part of India, the English began looking for new resources of revenue and new markets. They not only introduced poppy cultivation into areas where food had previously been grown, but also thrust Indian opium on the unwilling Chinese people by force of arms. Since that infamous opium war of 1840-1844, Indian mercenary troops have been sent again and again to China in support of British capitalist brigandage in that country. For 87 years Indian troops have been permanently stationed as policemen in Hongkong, Shanghai, etc. Time and again, they have been used to shoot down Chinese workers and have thus created ill-will in China against the people of India. Even as we make this declaration, Indian troops are again on their way to China in an attempt to crush the Chinese revolution."

"With the strengthening of British imperialism, India was cut off more and more from intercourse with China, and in their cultural and intellectual isolation, the Indian people have now become completely ignorant of the condition of China.

"It is this extreme ignorance that makes it difficult to-day to organise effective means of preventing India's money and man-power from being used for the enslavement of the Chinese people. We think it urgent and essential that active propaganda should be carried to in India to educate the people regarding China and arouse them to the necessity of immediate action. We must now resume the ancient, personal, cultural and political relations between the two peoples. British imperialism which in the past has kept us apart and done us so much injury, is now the very force that is uniting us in a common endeavour to overthrow it.

"We trust that the leaders of the Indian movement will do all in their power to co-ordinate their struggle with that of the Chinese people so that by simultaneously engaging British imperialism on two of its most vital fronts China may receive active support in her present struggle and the final victory of both people may be secured."

5. AGAINST EXPLOITATION.

Perhaps the most important resolution of the whole Congress was the one moved by Mr. Beckett, M.P., on behalf of the Indian, Chinese and British delegation. This resolution runs as follows:

"We, the undersigned, British, Indian and Chinese delegations consider that the task of all working class forces in imperialist countries is:

(1) To fight for full emancipation side by side with the national forces in oppressed countries, in order to secure complete independence wherever such national forces so desire. (2) To oppose all forms of coercion against colonial peoples. (3) To vote against all credits, naval military and aerial, for the maintenance of armed forces to be used against oppressed nations. (4) To expose the horrors of imperialism to the civil and military population. (5) To expose imperialist policy in the light of working class struggle for freedom.

In relation to the immediate situation in China—

(1) We demand the immediate withdrawal of all armed forces from Chinese territory and waters. (2) We urge the need of direct action, including strikes and the imposition of the embargo to prevent movements of munitions and troops either to India or China and from India to China. (3) That estimates relating either to warlike preparations or to war shall be voted against. (4) That in the event of armed intervention or open war every effort shall be made with the Labour movement to use every weapon possible to working-class struggle to prevent hostilities. (5) We demand the unconditional recognition of the Nationalist Government the abolition of unequal treaties and of extra territorial rights and surrender of foreign concessions. (6) Finally, in the interests of Trade Union Labour movements in Britain, India and China, we pledge ourselves to work for their immediate close and active co-operation".

The Congress also decided to open a permanent world organisation with its head office in Paris and branches in the various countries and then dispersed.

Full Text of Pt. Nehru's Speech.

Pandit Jawaharlal Nehru, delegate of the Indian National Congress, rising to describe the effects of the British World Imperialism was greeted with stormy ovation by the Assembly. He said:—

With the greatest pleasure I bring the warm and hearty greetings of the Indian National Congress which has commissioned me to link our national movement with this International united effort to fight Imperialism. We in India have experienced the full strength of Imperialism. We know accurately what it means and we are naturally interested in every movement which is directed against Imperialism. In fact, if you want a typical example that will help you to understand the nature and consequence of Imperialism, I think you will find nothing better than India. From the internal condition of India, as our President has said, it may be understood in what manner the English Imperialism represses and exploits the workers. In India you will find a wonderful instance of every phase of Imperialism that you may wish to study. Our problems touch us naturally very deeply but I may say to you all, whether you come from China, Egypt and other distant lands, that your interests are bound up with ours. And the Indian problem too is of interest and importance for you.

British Misdeeds in India.

I cannot tell you here the whole history of Indian exploitation—how India is maltreated, repressed and plundered. It is a long and very sad story. And all that I can do is to bring to your notice one or two of the most important factors which we have to consider particularly in this International Congress.

You have heard of various disturbances, massacres, and random butcheries and most of you have heard of the Amritsar incidents. Do not believe that because this affair has given rise to greater uproar than many others, it is in any way the singular and the worst episode in the history of India since the Britishers came to us. They came to us, as you doubtless know, by pitting one province against another until they finally established themselves firmly. During the whole period of their stay, they have followed the old policy of "Divide and Rule." I regret to have to say that they still follow this policy. The early history of their occupation is one of the most wildest and most shameless examples we have ever seen in the history of the world. Even the British Historians who are certainly not quite impartial admit that the early History of India under British Rule represents an epoch of predatory war,—a period in which free-booters prowled about and committed plunders and robberies in the land in an unbridled manner. You know perhaps also of the event which is known as the "Sepoy Mutiny" and which took place 70 years ago. It is called so but if fate had willed otherwise and the so-called rebels had been crowned with success, then to-day it would have been called the Indian War of Independence. What we have to say, in all this, is that Amritsar was absolutely nothing in comparison with what took place during the Sepoy Mutiny. But since then, such things have been constantly taking place; even to-day random firing is not infrequent. Numberless comrades and friends of ours are detained in prison without any accusation and without any trial. Many of our best comrades in India have made prison their real home, or they are in exile and cannot come back to their fatherland.

Exploitation in India.

This gives rise often to a little sensation but the real injuries committed by the Britishers in India—the real exploitation is much more severe than the shootings and hangings, which occasionally give rise to some disturbance, the systematic method in which the workers, labourers and farmers are being exploited and has made India what it is to-day. We read in history, not only of the ancient times, but also of the modern period of the riches of India. India has allured by her riches the most different peoples from different extremities of the world, but if now one goes to India, the most horrible poverty stares him in the face. There he sees most of the population do not know where they will get their next meal and frequently they do not get it at all. Everywhere one meets these hungry people or these half-fed people. This is the India of to-day. No statistics, facts or numbers are wanted to convince you of this that India has suffered terrible economic decline and that if definite steps are not taken to prevent this process India will altogether cease to exist as a nation. You know perhaps how years ago (immediately after their advent) the Britishers applied the most ruthless methods to tender their industries profitable for themselves. In those days, the new doctrine of guardianship over the Indian people was not mentioned, our repression was not less severe, but it was frank, we had a ruthless and open exploitation and suppression of all Indian industries. It was bad enough, but worse followed gradually inasmuch as our ancient system of education was destroyed and we were disarmed. In the most multifarious ways, the spirit of the Indian people was destroyed and it was attempted to take away from them, every capacity for active and constructive work. The conscious policy of the Britisher in India was to attempt to divide us. After they have disarmed us, now they say that we are not fit to protect our country. After introducing a system of education which has destroyed our ancient education and has set in its place something which is ridiculously meagre and which teaches us false history and tries to educate us in the hatred of our own country and in the glorification of England—after all these, they tell us now that we have not sufficient culture to be a free nation.

It is now being advertised in the English Press that the Indians fight among one another. It should also be noted in this connection, that it is extremely exaggerated, that it is also the policy of the British to bring about these disturbances and to sharpen them where they are in existence and to do everything

to keep them alive. This is the policy of Britain, however much she may now deny it. Now, what is the condition of India to-day? We are spending of exploitation? We experience it very fully. Not a single exploitation but often a double and a treble exploitation. We have a part of India—the so-called 'Indian States' where, under the protection of Britain the Feudal system obtains. Often the English point them out to us and other countries as well and say—look at these parts of India where a kind of Self-Government is in existence. Other parts of India are much more advanced, but the British forget to tell one thing. They forget to tell us that these States are under their care and that they themselves have hindered progress in them. It is the British who first enslaved them and now do not allow them to develop. Consider the case of the great land-owners. You have here again the land-tenure system which in a great part of India is a feudal system and has been brought to us and kept up by the British. It is altogether difficult to change it so long as the British Government is not willing to do it. In the policy of the British Government in India we must reckon even the Indian princes and great land-owners as their confederates, because a free India would lead to the liberation of the farmers from exploitation. Then again we often see a harmful agreement between the British Capitalists and Indian Capitalists.

British World Politics.

A study of the past history and accounts of the last few years will prove that the British world politics is in a great measure influenced by their Indian possession. Who can be deceived for a moment as to what will happen to Great Britain if she does not possess India? There would then be no British world-Empire. What will take place in future when India is once free? I cannot say, but it is certain that the British world-Empire will cease to exist. From their capitalistic and imperialistic points of view, the British try to do everything in their power to retain their possession of India. Their whole foreign policy is to a great part influenced by this aim; therefore they must build up a firm overlordship in India. The result is that India has suffered and still suffers. But that is not all. On account of India other lands have suffered and suffer still. You have heard of the last instance of the activity of British Imperialism in India—the sending of Indian troops to China. They were sent in spite of the sharpest opposition offered by the Indian National Congress. I must remind you of the fact—even to my shame. I must mention—that Indian troops were often used to repress other people. I read to you the names of the number of countries in which Indian troops have been sent by the English for their purpose. In the year 1840, they went to China for the first time, and in the year 1927, they are still going there and during this time, they have been used three times without number. They were in Egypt, Abyssinia, in the Persian Gulf, in Mesopotamia, Arabia, Syria, Georgia, Tibet, Afghanistan and Burma. It is a horrifying list.

A World Problem.

I would like you to understand that the Indian problem is not only a national problem, but it directly affects a great number of other countries and it is of world interest, because, it directly applies to the greatest and the most influential imperialism of our time. It is clear that such a state of things is insupportable for India. We can't tolerate it any longer, not only because Freedom is good and slavery is bad, but because it is a question of life and death for us and our country. You too who have come here from the different countries of the world cannot tolerate these dreadful chains which are also a great hindrance to your own freedom. For us in India, Freedom is a pressing necessity. But it is not less important for you if we win our freedom. The noble examples of the Chinese nationalists have filled us with hope and as soon as possible we wish to follow in their foot-steps. We want the fullest freedom for our country; naturally (of course) not only the internal but freedom also of making connections with our neighbours and other lands as we wish. Because we believe that this our International Congress affords a possibility of this combined work, we welcome it and great it.

INDIA IN THE

International Economic Conference.

The following statement was submitted by Mr. N. N. Wadia, Sir Campbell Rhodes and Mr. L. K. Hydar, Members from India to the International Economic Conference, held at Geneva in May 1927:

"The economic condition of India and her relations with the outside world may be very briefly stated. She is a debtor country in the sense that British and other foreign capital is invested in her railways and irrigation works and in some of her industries in excess of her own investments abroad. On this capital large sums have to be remitted annually by way of interest, the official remittances, which are known as the "Home Charges" and which include pension and other sterling disbursements, amounting to between £30 and £35 millions annually.

"In order to find the credits necessary for the liquidation of these claims, both official and non-official, it is necessary for India to export every year goods of a higher value than the value of her imports; in other words, to maintain a favourable balance of her visible trade. This result is secured by the natural surplus of production over consumption within her own borders. Covering a vast area, the size of Europe less Russia, with a population which numbers one-fifth of the whole human race, the wants of her own people are simple and to a large extent satisfied by her own productions; indeed, local requirements are met chiefly from resources available within reasonably close proximity to the individual consumers.

Indian Exports.

"It will be apparent from this brief summary that the productive effort of India is centred far more on internal than on external markets. Agricultural exports of India, which in one form or another constitute nipe-tenths of her total exports, represent at the same time only one-eleventh of her total production. In this respect, in her reliance chiefly on internal markets no less than in the volume and value of her local resources and the extent of her population and area, unhampered by inter-provincial trade barriers, India presents a picture more closely analogous to that of the United States of America than to that of European States. It is true that in India, as in Europe, the coal, steel and cotton textile industries endure their share of the prevailing depression. The depression is no less keenly felt because in all three industries productive capacity is greater than it was. Other industries also have developed in the absence of foreign competition and under the stimulus of high prices during the war.

Fiscal Policy.

"India has adopted a fiscal policy which seeks to foster and develop the start which was thus made under pressure of war conditions. Nascent industries, built up with local labour and capital from local materials to meet local needs, cannot be allowed to die under the competition of foreign goods, over-produced abroad and sold in Indian markets at cut rates. The advantage which might accrue to the Indian consumer from these low prices weigh but little in comparison with the necessity of building up local industries on a sure foundation. The protective policy of India aims at the development of such manufactures only, as will one day be able to meet world competition unaided, and protection, whether it takes the form of import duties, bounties or other forms of State aid, is granted only for a limited number of years to individual industries.

"Partly as a result of war and post-war conditions, and partly as a result of the adoption of a policy of discriminating protection, a change has occurred in the character of India's foreign trade. Manufactures account for a slightly

lower proportion of her imports and a slightly higher proportion of her exports. While, thanks to a succession of good harvests, agricultural production has increased, local consumption has in the main increased more rapidly than exports.

"As might be expected in a country where the population largely subsists on agriculture, Government revenues since the war have been raised chiefly through indirect taxation. Thus Customs and exercise receipts account respectively for 24 per cent. and 22 per cent. of the total official revenues of India, to which income tax contributes only 12 per cent.

Period of Deficits.

"During the years 1918-19 to 1922-23, revenue failed to balance expenditure and the aggregate of the annual deficits amounted to nearly 1,000 millions of rupees. Severe retrenchments and additional taxation have since restarted the financial equilibrium of the Government of India. The national debt has increased since 1913-14 from 1,797 millions of rupee debt and £247 millions of sterling debt to 5,231 millions and £339 millions.

"The sterling value of the rupee, which during the earlier years of the current century had been stabilised as 1s. 4d. increased during the concluding years of the war and again during the trade boom which followed, until in the spring of 1920 it reached its maximum of 2s. 10-1-3d. Thereafter, as trade depression developed, exchange fell to approximately 1s. 3d. in 1921. Subsequently, as a result of successive good harvests and favourable trade balances, the value of the rupee appreciated. By legislation of March 1927 the ratio was fixed at 1s. 6d.

Rise in Prices.

India suffered no less than other markets of the world from the rise of prices which occurred during the trade boom of 1919-20 and from the subsequent slump. The economic life of India was affected in many ways:

(a) Although there is not the same problem of industrial unemployment in India as in European countries, yet the usual lag occurred by which the rise of wages followed instead of accompanying the rise of prices. When a subsequent fall of prices occurred and trade became depressed, a general reduction of wages was not found possible.

(b) For several years after the war a serious gap occurred between the prices of raw materials and the prices of manufactured goods. Although both sets of prices were higher than pre-war levels, manufactured goods had appreciated to a greater extent than raw materials. This tendency has had an important bearing on India's trade. Roughly three-quarters of her exports consist of raw materials, while the same proportion of her imports consist of manufactured goods. In other words, a greater productive effort was necessary to enable India to purchase the same volume of imports as prewar. In actual fact a compromise was evolved whereby exports increased (by comparison with pre-war) during 1924 and 1925, while imports were relatively less.

(c) Fluctuations of price have been no less serious in India than in other markets. One result has been that stocks of staple goods are no longer maintained in the world's markets to the same extent as pre-war, for the risk of carrying stocks is enhanced through the uncertainty of prices levels. Producer and consumer are thus in closer relations with each other than they were in pre-war days, and the effects on prices of over and under-production are more quickly felt. To this cause may be attributed the growing tendency on the part of producers of tea, jute and similar products to organise the marketing of their goods in order to counteract those abnormal fluctuations of price which must inevitably occur when the absence of stocks permits the unrestrained impact of varying demand on varying supply.

And their Repercussions.

"From the point of view of India—a point of view doubtless shared by other great countries producing raw materials in common demand in the world's markets—the vicious circle from which she seeks to escape is one whereby fluctuations of price prevent the growth of confidence, thus militating in the consuming markets against purchases of her raw materials for stock. The absence of

such stocks makes itself felt in tendencies which exaggerate fluctuations of price and so further discourage the growth of confidence.

"Faced with not dissimilar difficulties, the manufacturing industries of Europe have been forced into conditions of closer and closer organisation. They have learnt that, in the present state of the world's markets, there is little hope of expanding sales unless and until costs are reduced. Reductions of cost are possible in any one or more of the following directions :—

(a) In the organisation of financial and industrial methods, affecting overhead and distributing charges ;

(b) In the removal of impediments resulting from Government action ;

(c) By economies in labour charges ;

(d) By reductions in the cost of raw materials.

Organisation and Efficiency.

"Organisation will undoubtedly play its part in the reduction of overhead charges. The manufacturer must look to Governments to realise the importance of removing all unnecessary impediments to trade. In regard to labour charge, while no actual reduction of wages appears in present circumstances to be either possible or desirable, the contribution of labour would take the form of the elimination of waste and of increased production as a result of increased efficiency.

Indian and World Prosperity.

"The fourth heading is that with which India as primarily a producer of raw materials and other countries similarly situated are chiefly concerned. Her contribution towards world economic prosperity can only take the form of progressive effort towards a reduction of agricultural costs, an improvement in the quality and quantity of the crops, and finally, the encouragement of orderly marketing. The effects of this policy will be beneficial not merely to the producer himself in financing him until his crop is finally disposed of and in securing him an increased profit by co-operative sales wisely supervised, but also to the world in general in more efficient methods of cultivation and, therefore, in greater productivity at equal or reduced cost.

The Co-operative Movement.

"The co-operative movement is a means towards this end, and its progress in India during the past twenty years has been striking. Only last year, a Royal Commission was appointed to investigate agricultural conditions in India. The commission has been instructed to explore possible extensions of existing activities in the field of research and demonstration, the introduction of improved methods of agriculture and the extension of rural credit facilities. It is at present engaged in prosecuting its enquiries, and its report is awaited with interest.

"It must be remembered, however, that, if real progress is to be made, the manufacturer must share with the primary producer the advantages of the cheaper and better production of raw materials. The demand for manufactured goods can only develop naturally and steadily, as it did in pre-war days, when world prices are stabilised, confidence is restored and equilibrium is again maintained between the costs and profits of producers and manufacturers. Failing such equilibrium, India and the countries at present concerned primarily with the production of raw materials are forced either to curtail their purchases of manufactured goods, at the expense of their general standard of life or, alternatively, to provide more and more for themselves those commodities which they have hitherto found it convenient to draw from abroad".

INDIA IN THE International Labour Conference.

The International Labour Conference which commenced its session in Geneva on the 31st May took a bold and significant step in asking a representative of an extra-European country to take the chair at this session. This honour was conferred on Sir Atul Chatterjee, the High Commissioner for India.

An important item on the agenda was the question of Compulsory Sickness Insurance which it was proposed to deal with in the draft convention. The session was the most lively. About 45 States were represented and some delegations were singularly large as, for instance, the Japanese Delegation which consisted of about 30 members. There was all-round satisfaction at the fact that the Employers' Delegate from India was an Indian of Mr. Birla's type. Different committees were fairly active and a good deal of spade work was accomplished. Indian employers' view-point was expressed by Mr. Birla in an able speech which won him congratulations from the different sections of the Conference.

Mr. Birla's Speech.

Speaking on Compulsory Sickness Insurance, Mr. Birla said that although India is not hostile to the principle of such an insurance for labour it found itself in a position which rendered the adoption of the scheme embodied in the draft convention impossible. The present scheme was formulated with reference to European conditions and could not suit India whose industries were not in the same stage of development and could not consequently bear the same burden or strain. Then again, Indian labour whose wages were comparatively low would hardly favour the scheme which contemplated a contribution of part of their income to the insurance fund, established thereunder in India. This question had not even been discussed and time was needed to bring India into line with other countries, which had built up their present position, characterised by the individual strength given under protection afforded by the tariff wall over long periods, in some cases over forty years. He should do his best to bring the matter to the notice of the Indian Parliament which he hoped would take such steps in this direction as might appear justified in view of the country's special position, but for the present he must with due deference to the authors of the scheme say it did not suit India and was therefore unacceptable to them.

Speaking in a general discussion of the Director's Report Mr. Birla touched upon many important points, particularly, that of the establishment of a national correspondent of working hours by Japan.

Discussing the proposed appointment of a national correspondent at Delhi, Mr. Birla remarked that, while it was very essential to have such a correspondent in India, he doubted whether Delhi was the suitable place for that purpose. Calcutta and Bombay being more important business centres in India, Mr. Birla thought a national correspondent should be stationed at either of these places. He also maintained that, if they wanted to have the trust of Indian Labour, they ought to have a correspondent of Indian nationality, and to see that the literature issued from his office was not confined to the foreign language. Hindi was the most prevalent language in India, being spoken by one-third of its population and easily understood by the remaining population. He suggested that all literature should be issued primarily in Hindi.

Mr. Birla was glad that notice had been taken of the abolition of slavery in Nepal. He would draw the Director's attention to a slight mistake in giving its description. Nepal was not an Indian State as was generally understood from that descriptive title. Its status was higher, the ruler being termed His Majesty the King of Nepal. He hoped the mistake would be duly rectified.

Mr. Birla very much deplored that the Japanese Government had been putting off under one excuse or other the ratification of the Washington Working Hours Convention. He said that it was amazing to find in these days when there had been such a remarkable advance in other civilised countries in regard to Labour legislation that the Japanese factories were still working in many cases more than twelve hours a day. He thought at least for the sake of humanity, the Government of Japan should take immediate steps to give effect to the Washington Convention about the hours of work.

Concluding Mr. Birla said that he regretted that in the past Indian employers had taken little interest in their representation at the International Labour Conference. He very much appreciated the remark of the Credentials Committee last year that they desired to see countries represented by men of their own nationality. Indian employers were no less keen upon that point now, and he hoped that in future they would find them always ready to meet the desire of the Credentials Committee in this direction.

Mr. Giri's Speech.

Mr. V. V. Giri, in the course of his speech, expressed grateful thanks to Suzuki, the Japanese workers' delegate, for the noble fraternal sentiments he had expressed, especially, his reference to workers in India. He said Sir A. Chatterjee's chairmanship was an honour not only to India but to the East. He congratulated the Director of Labour Office and his colleagues on their wonderful work on behalf of the workers of the world though he declared the Labour Office had not devoted its time and energy to the investigation into and amelioration of conditions in Mandated Territories and countries like India. The living wages for workers was unheard of in India and the system of payment was most unjust to poorer workers. The hours of work in railways were from 12 to 14 and even 16 daily. With regard to the sickness insurance, it was in a sorry state. The Indian Government considered that any practical measure with regard to that question was at present impossible. Speaking on the freedom of association, Mr. Giri declared that even organised associations in India were particularly suppressed and gagged when the real issue between employers and employees arose.

Mr. Giri asked from the Conference for a clear statement as to what action the International Labour Office had taken in the matter of recommending to the countries like Kenya the abolition of forced labour. He wanted these countries to be informed to stop it if they had not yet done so.

Paying tribute to Japan for having retrieved the lost name of the East, Mr. Giri appealed to that country to improve the conditions of their workmen and show to the West that it would be second to none in ameliorating the hard lot of her teeming working classes that built the fortune of the nation.

Mr. Giri congratulated the Director and his colleagues of the International Labour Office for the great work so far accomplished in the name and on behalf of the workers of the world. But while so appreciating, he said, he would not be true to himself or just to those whom he represented if he did not tender his humble but constructive criticism with a sincere desire to further the objects of the great international organisation. He brought to the notice of the Conference that, perhaps for reasons beyond control, the International Labour Office could not devote that attention and energy to the investigation of conditions, of workers in special countries which are given various names such as colonies protectorates, dependencies and spheres of influence etc., who have the misfortune to be ruled by European nations and where the workers have to fight the capitalists who are more often than not supported by their Government. The Conference, Mr. Giri submitted, should look to these problems more than to the emancipation of the European workers, as they were able to contend with their masters on equal terms and get their reasonable grievances redressed whether by honourable treaties or by means of legislation, without requiring any help from the Labour office.

Mr. Giri continued: "I appeal to my fellow delegates from these countries not to consider for a while that I have been making these statements in a spirit

of fault-finding but only to remind the International Labour Office that a good deal has yet to be done in the interests of the poor workers who have no national Government of their own. Failure to take great care of their interests will rob this organisation of its weight and prestige and will deprive it of its character".

Real Representation.

Mr. Giri then drew the attention of the Conference that subject nations were not properly represented at the Conference by their own men. For instance the Dutch, the French and the Belgian delegations had only one coloured representative as delegate or as adviser. The assumption that these delegations represented the colonies was based on a fiction. The Conference, he submitted, should insist on proper representation. Then the Conference could get a clear idea of the conditions prevailing in those special countries.

The International Labour Conference should insist on Governments such as the Union of South Africa to send from time to time a workers' delegate. The workers there are the natives of the soil and they outnumber the foreigners by at least five or six times. The representation of Mr. Clement Cadali, the General Secretary of one of the biggest unions in South Africa should have been accepted. He should have been allowed to be a workers' delegate from South Africa.

The best way to solve these difficult questions was, said Mr. Giri, to appoint a small committee of enquiry to go to these countries and make a study of the conditions there with the help of the Government and workers of these countries. The organisation would then be in a position to judge for itself.

"Living" Wages in India.

Speaking on behalf of the workers of his country, he referred to the 'living wages' paid by the Railways in India to their employees which amounted from 8sh. to 14sh. per month on which they had to maintain a family of four to five persons. On the great economic principle of supply and demand the Government, as agent of the Railways, supported this scale.

In conclusion, Mr. Giri emphasised on the need for direct representation of labour in the Legislatures of the country and pleaded for an investigation into the condition of workers in jute, textile and other industries and for the providing of rudimental amenities of labour in those industries.

Dr. Paranjypte's Speech.

Dr. Paranjypte in the course of his speech expressed the gratification of the Government and the people of India at the high honour done to India by the selection of the Indian delegate to preside over the Conference. He hoped that this was only an indication of the great interest taken all over the world in the conditions of labour in India. He was glad to learn of the decision to appoint a correspondent of the Labour Office in India and he also strongly supported the suggestion of Mr. Birla, that the appeal of Indian workers should be made through the vernaculars of India.

He referred to the Asiatic enquiry, which was being conducted by the Labour Office, and said that it would be most useful if high officials, such as the Director, were to visit India personally.

Dealing with the internal organisation of Labour Office, Dr. Paranjypte observed that the number of people from eastern countries were comparatively small and hoped that it would be possible to engage a few more people from India, China, Japan and other countries, with the object of increasing the usefulness of the Labour Office.

Replying to the criticisms of Mr. Giri with regard to the hours of work on railways, etc., Dr. Paranjypte declared that no complaint had been made by the Legislative Assembly, that the Government of India was not observing to the letter and spirit the Hours Convention. The Government of India could hardly be blamed for non-observance of the conventions and recommendations of the International Labour Organisation by the Native States.

South African Indian Congress.

The South African Indian Congress opened at Johannesburg on the 12th March 1927. The full number of delegates were present, including those from places as distant as fifteen hundred miles. Great enthusiasm prevailed.

Opening the session Mr. Andrews bore personal testimony to the spirit of goodwill and good faith, which pervaded the Round Table Conference at Cape Town for which Gen. Hertzog and Dr. Malan were principally responsible. In conclusion he asked that not a single word should be spoken which might weaken the mutual trust already established.

The speeches of the President and the Chairman of the Reception Committee indicated hearty acceptance of the agreement as a thoroughly honest attempt at a friendly settlement. The Chairman of the Reception Committee said: "We meet in a more peaceful atmosphere to give a verdict on the Round-table Agreement. It is the privilege of the South African Indians to gratefully record the honest efforts of the Habibullah Deputation to accomplish a settlement. It is also our privilege to record the co-operation and sympathy of Gen. Hertzog and Dr. Malan, whose admirable attempts to understand the Indian viewpoint have equally contributed to bring about a happy change and friendly spirit."

Presidential Address.

Mr. GODFREY, President of the Congress, emphasised that the Indian community in South Africa approved the Agreement as a whole and accepted it in the spirit in which it was made. He felt the success of the Agreement would mainly depend on themselves. He stated that many points were still left undecided and much work of criticism would remain to be carried through. But, whatever was done, should be accomplished in the friendly spirit which pervaded the Conference itself.

Continuing, the President said "India sent us her most eminent men, sober with age, ripe in wisdom and experience. It is my duty to record the work of the Executive, Messrs. Kaje, Pather, Nursoo, Naidu and Ismail who rendered admirable service at Capetown with other chosen delegates. Generally speaking, we approve of the settlement though certain parts we must oppose, especially restrictions on the municipal land sales and the tacit refusal to restore our lost municipal franchise. We insist on 'no taxation without representation,' as our inalienable right. There are also many things undecided needing examination. To-day we are more concerned with the intention of the Bill than the actual wording. We recognise the change of heart and warmly welcome it. It is, as Dr. Malan says, an agreement in the nature of an honourable, friendly understanding. Therefore we, Indians, must regard it even more binding, for, if we depart from the honour, we are refusing to act as gentlemen, which is for us impossible.

"We believe that this agreement is an indication of South Africa's desire to do right by us. I am certain that, if our resolutions and criticisms are practical and useful, they will receive proper consideration from the Union Ministers. There is much in the agreement which commends itself, reflecting patience and courage of both the Governments."

"We wish, however, to emphasise the fact that, in future, as in the past, we shall be sober in our demands, just in our aspirations, persistent in our efforts and repudiate all legislation prejudicial to our honour. We are determined, as South Africans, to shoulder the burdens of our adopted country as well as claim the privileges. We want a definite political status and demand it.

"During the coming year, our Executive must supply the Agent-General with the necessary information enabling him to secure full implementing of the agreement."

The Annual Report.

Mr. Kajee, Congress Secretary, then read his annual report, showing remarkable ability and untiring energy. He mentioned the South Africa prayer-day as the foundation of the success achieved. "Apart from the efficacy of the prayer before the Divine Being, the quietening influence of such a great peaceful gathering is extremely important. If causes be looked for regarding the change in European opinion, prayer-day is the chief. When the Delegation came, we were privileged to obtain, on innumerable occasions, interviews and consultations of the highest importance. We could not have been treated better, and we would desire to record our gratitude to Messrs. Nursoo, Camay and Rasul, who represented Transvaal; Messrs. Ismail, Khangool and Mahomed Khan, the Cape Province; Mr. Naidu, Natal; Mr. Patther, the Treasurer of the Congress; Mr. Hawn, Vice-President; and also those present, and Mr. Godfrey. We had joint sub-committees with the delegates, entering into the minutest details. We, therefore, duly express our full satisfaction thanking specially the Hon. leader for his courtesy and kindness. It is a matter for pride to our community that the Rt. Hon. V. S. S. Sastri and Sir Pherozee Sethna were the guests of our esteemed colleague, Mr. Sorabjee Rustonjee."

Mr. Kajee then thanked the Indian National Congress, paying a special tribute to Mahatmaji and Mrs. Sarojini Naidu. The Congress then adjourned.

Next day, the 13TH MARCH, when the Congress met, there was remarkable unanimity regarding the acceptance of the Round Table Conference agreement and grateful appreciation of the work of the delegation with an earnest petition to the Viceroy to make Mr. Sastri the first Agent General.

Division of opinion only came concerning local issues, but a wise decision was taken to retain the Durban headquarters of the Congress and reappoint en bloc for the ensuing year all the Congress officers retiring. Johannesburg desired to be the headquarters, but Mr. Kajee. (Durban) had done such splendid work that preferably the office remained there.

Resolutions.

The main resolution was follows: "The Congress accepts the Round Table Agreement as an honest attempt to find a solution and is prepared to work it as such, while reserving the right to protest against confiscation of the municipal franchise, the restriction on municipal sales of land and the penalising clauses of the Colour Bar Act. The Congress reserves the right critically to examine any new draft bill implementing the Agreement.

A second resolution recorded the heartfelt thanks and deep appreciation of the unparalleled services of the Delegation, creating a new friendly atmosphere and reaching a settlement honourable to both sides, which opened avenues of further development to the Indian community in South Africa.

A third resolution condemned the unauthorised and misleading cables from Durban concerning South African Indian settlement. The strongest language was used concerning this. The so-called Natal Vigilance Association, which was bitterly anti-Congress and ludicrously unrepresentative, was also condemned.

Another resolution earnestly asked Mr. Sastri to become the Agent General.

All these resolutions were passed unanimously, and cordially, with the strong support of each province.

Interpellations in Assembly

On Indians Abroad.

Poll-tax on Indians in Kenya.

On the 27TH JANUARY, the Hon. Mr. Bhore, replying to Mr. N. C. Kelkar's question regarding poll-tax on Indians in Kenya, said that the Government had received a representation from the Imperial Citizenship Association on Kenya Poll-Tax and said: "Yes, I may, however, mention that an ordinance on precisely the same lines as the Asiatic Poll-Tax Ordinance has been passed by the Kenya Legislative Council in respect of Europeans, but under it Europeans will pay a tax of 30 shillings while Indians pay 20 shillings only. The Government are in communication with the Colonial Government.

Grant of Permit to Dr. Sudhindra Bose to Visit India.

On the 31ST JANUARY Mr. Gaya Prasad Singh and Mr. Belvi asked with reference to the grant of permit or emergency certificate to Dr. Sudhindra Bose to visit India.—"Has the attention of the Government been drawn to his letter published in "The Amrita Bazar Patrika" dated the 15th December 1926, in which he complains that he has not yet succeeded in getting a permit to visit India in spite of the assurance given by Mr. H. S. Amery in the House of Commons in February last that Dr. Bose could, at any time, obtain a certificate? (b) Will the Government be pleased to state definitely whether they have any objection to allow Dr. Bose to visit India? If they have none, what facilities have they offered or are willing to offer to Dr. Bose in this direction?

Sir Alexander Muddiman replied: The newspaper article referred to does not accurately state the position since his renunciation of British Indian nationality. On becoming an American citizen shortly after the outbreak of the war, Dr. Sudhindra Bose has on two or three occasions applied for facilities to visit India. I have previously stated in this House that it was considered inadvisable to grant him a British passport as a passport constitutes a proof of national status and since the judgment of the Supreme Court of the U. S. A. in the case of U. S. A. versus Bhagat Singh Thind, the national status of Indians naturalized in the U. S. A. has been a matter of doubt. Dr. Bose was, however, informed that the Government of India had no objection to the issue to him of an emergency certificate for a direct journey to India. I am not aware when Dr. Bose first applied for an emergency certificate. Our failure to issue one to him immediately was due to a misunderstanding by the British representatives in America. This was corrected and Dr. Bose was informed by the British Embassy early in 1926 that he could have an emergency certificate on application to the proper authorities. If, as is alleged, he is still not in possession of the certificate, it is to be presumed that he has not applied for it. Dr. Bose did, as a matter of fact, correspond with the British embassy on the subject in the beginning of 1929 when he sought for an assurance that he would be granted a safe conduct and facilities for his return to the United States. This unusual assurance the Government of India were not prepared to give. No conditions were laid down for the issue of a certificate.

Indians in Kenya.

On the 31ST JANUARY the position of Indians in Kenya was raised by Mr. Gaya Prasad Singh who asked: (a) Has the attention of the Government been drawn to the following resolution passed by the Indian National Congress at Gaubati on the 27th December 1926 that "in the opinion of the Congress the progressively restrictive legislation against the Indian settlers of Kenya as indicated by the latest action of the Kenya Government in increasing the original poll-tax of 20 shillings which by currency manipulation, was raised to 30 shillings

and which has now been raised to 50 shillings by legislation, is calculated to demonstrate afresh that British imperialism means the conversion of interests at the cost of Indian interests, liberty and aspiration?" (b) Is it a fact that in Kenya a sum of £32,000 is required for the education of about 960 European children only and £20,000 for the education of about 2,318 Indian children? (c) Will the Government kindly state why Indians alone have been subjected to the payment of poll-tax and what steps, if any, have they taken or proposed to take in this matter? Is it a fact that in 1930 a deputation of East African Indians waited upon His Excellency the Viceroy for the redress of this wrong?

Mr. Bhore, in reply, said that answer to (a) was in the affirmative. As regards (b) the Government had not yet received official information on this point but understood that the position was as stated. As regards (c) the Hon. Member was mistaken in supposing that Indians alone had been subjected to poll-tax. There was also a poll-tax at a higher rate on Europeans. The Government of India had made representation regarding the system of financing communal education in Kenya. The answer to the second part of this question was in the negative.

Supplementary enquiries by Messrs K. C. Roy and Mr. Rangaswami Iyengar elicited that the Government of India is in correspondence with the Colonial Office on the subject.

The Fiji Deputation's Report.

On the 1ST FEBRUARY, replying to a question of Mr. Gayaprasad Singh and the supplementary enquiries of Pandit Hridayanath Kunzru, Mr. Bhore declared that the Fiji Deputation's report was highly contentious. Its publication would only provoke a rejoinder from Fiji authorities as diametrically opposed views were held on the subject and would destroy the present atmosphere of helpful negotiations promising proper settlement.

Kenya Affairs.

On the 9TH FEBRUARY, replying to Pandit Hridayanath Kunzru, Mr. Bhore said that the Government of India were aware that the proposal demanding an elected European majority in the Kenya Legislature had been mooted by leaders of the European non-official community and the matter was receiving the attention of the Government of India who were alive to the issue involved.

Replying to Pandit Hridayanath Kunzru's supplementary question, Mr. Bhore admitted that the Kenya White Paper laid down that the colony would not get self-government but Mr. Bhore wanted regular notice to answer the query whether Sir B. N. Sarma had given an undertaking to publish the Fiji Report and as to when the Fiji Government urged the non-publication of this report.

Position of Indians in Fiji.

On the 15TH FEBRUARY, replying to Gaya Prasad Singh, Mr. J. W. Bhore, (Education Secretary) admitted that as condition precedent to the appointment of the Indian Deputation, the Fiji Government, in the Fiji Royal Gazette in June 1921 had guaranteed that the position of Indians in Fiji would in all respects be equal to that of any other class of His Majesty's subjects. It was true that on the Fiji Advisory Executive Council there was not a single Indian. It was equally true that restrictions had been placed on Indians in Fiji in the matter of loitering in towns between 11 p. m. and 5 p. m., while no such restriction existed in the case of Europeans. Mr. Bhore said that applications for lands by Indians were generally limited to 10 acres of agricultural land with 20 acres of grazing land, but if an applicant showed he had means to work a large area, the application was seldom refused. As regards any steps on the part of the Government of India in this direction, they were still in correspondence and were unable to make a statement.

Replying to a further question of Gaya Prasad Singh, Mr. Bhore said that representations in regard to the abolition of poll-tax in Fiji and enlarging

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municipal franchise in certain localities made by the Colonies Committee of the Government of India and the decisions arrived at by the Colonial Office were recorded in the correspondence on the position of Indians in Fiji which had been published in the resolution of the Government of India No. 24 Overseas dated the 12th January 1927. These were matters on which the elected Indian representatives in the local council would be in a position to press the views of the Indian community on the Colonial Government and the Government of India did not propose to take any further steps at present. It was understood that restrictions were in force regarding gun licences and purchase of arms by Indians but the Government of India have no information as to what precisely these restrictions were. No figures were available from which incidence of taxation of different communities in Fiji might be compared. Indians were at present represented by one nominated member of the Fiji Legislative Council and under the decision recently arrived at by the Colonial Office will be temporarily represented by three nominated members until necessary changes can be made in the Letters Patent to enable the Indian community to return 3 elected members to the Council. The question of their representation in municipal councils has been referred for the consideration of the Colonial Government and would, it is understood, be examined in the first instance by a local committee on which the Indian community would be absolutely represented.

To a further question by the same member, Mr. Bhore replied: "The Inter-Departmental Conference held in London in 1917 published certain proposals for a new assisted system of emigration to Fiji among other colonies for public information and criticism. Assisted emigration to Fiji had not been opened and no question of enforcing the recommendations of that conference therefore arises"

Proceedings of the
LEGISLATIVE ASSEMBLY
AND
COUNCIL OF STATE.

Jan.—June 1927.

The Council of State.

The Council of State commenced its winter session on the 8TH FEBRUARY, in the new Council Chamber, New Delhi next to the Legislative Assembly. There was a fair attendance of members.

Official Business.

The Secretary read a message from the last Assembly signifying its agreement to the amendments made by the Council to the Indian Bar Council Bill. Thirteen Bills passed by the Central Legislature in the last session and assented to by the Governor-General were mentioned. These included the Workmen's Compensation Act, the Cantonment Amendment Act, the Criminal Procedure Code third amendment Act, the Indian Bar Councils Act and the Indian Evidence Act.

Privileges Enquiry Committee's Report.

After about forty questions had been answered, the President as chairman presented the report of the Committee on the privileges of the House. The Committee was appointed at the instance of Mr. K. C. Roy, but he having gone to the Assembly, Sir Henry Moncrief Smith presented the report. He added that if the members desired to pursue the matter, then the proper course for them was to move resolutions for the recommendations of the Committee being given effect to. The resolution should be subject to admission and ballot process.

The Committee consisted of Sir Mahomed Habibullah, Messrs. S. R. Das, J. Crerar, Ramdas Pantulu, Sir Arthur Froom, Sir Umar Hayat Khan and Sir Dinshaw Wacha.

Scope of the Enquiry.

The first question considered was the scope of the Committee's deliberations with special reference to the following two suggestions by the Hon. Mr. Ramdas Pantulu: (1) That where a member of the Council of State has committed an election offence, he should be treated as having committed a breach of privilege and his case should be dealt with by the Council and not by ordinary criminal Courts; (2) that the privileges and immunities of members of the legislature should be incorporated in the Government of India Act when the Act is next amended. It was decided by a majority that questions of general powers, privileges and immunities should not be discussed but that the Committee, by its terms of reference, was only authorised to consider the question of the privileges enjoyed by members of the Council as distinct from the privileges of the Council as a body. The above two suggestions were, therefore, not considered.

Members' Allowances.

The Hon. Mr. Ramadas Pantulu suggested that members should only be permitted to draw daily allowance for 3 days' residence before and after the meetings of the Council instead of for 7 days as at present. The Committee decided unanimously to suggest to the Council to recommend to the Government to reduce the existing period of 7 days to 3 days provided that a majority of non-official members of the Council are of that opinion.

The Committee unanimously decided to suggest to the Council to recommend to the Government that in the case of non-official members, a daily allowance at half the daily rate admissible during a session should be paid for days occupied in travelling to and from the place of sitting of the Council provided, (a) that the same privilege is extended to the members of the Assembly and (b) that the proposal meets with the approval of a majority of the non-official members of the Council.

Titles.

The Committee decided by a majority that there were no grounds for the alteration of the rule by which a member can reserve a whole compartment. The Committee, with the exception of the Hon. Mr. Ramdas Pantulu, was unanimously of opinion that members of the Council ought to retain the title of 'Hon'ble.' The majority were further of opinion that in any case, the Committee ought not to make any recommendation on the subject of titles for the reason that conferment of honours is a prerogative of the Crown which in India is delegated to His Excellency the Viceroy and not to the Governor-General in Council.

Allowances to Resident Members.

The Hon. Sir Arthur Froom proposed that a member who is a resident of the place in which the Council is sitting should be entitled to receive daily allowance. The Committee decided to suggest to the Council to recommend to the Government that in such cases, a member should be made eligible for daily allowance for the days on which he attends a sitting of the House or of a Committee of which he is a member.

Position in the Warrant of Precedence.

The Hon. Mr. Ramadas pantulu proposed that members of both houses should be given a definite position in the warrant of precedence. The Committee unanimously decided to place on record that it has been brought to its notice that owing to the absence of a place in the warrant of precedence for members of the legislature, such members do not always receive on public official occasions in the provinces the recognition to which their position entitles them. A majority of the Committee were of opinion that they should not make any recommendation for the assignment of a place in the warrant to members of the Council of State as they understand that the warrant is designed to regulate precedence, solely of officials amongst themselves. They think, however, that the attention of the Government should be drawn to the necessity of taking steps to secure that members of the Council should have a recognised position at public functions of the nature referred to.

Exemption from Arms Act.

The Hon. Mr. Ramadas Pantulu proposed that the privilege of exemption from the operation of the Arms Act should extend to ex-members of the Council of State for life. The Committee decided by a majority that since the Council on 26th February 1923 expressly negatived the lesser proposal that ex-members should be entitled to obtain licences, they were not competent to consider this question in the absence of a reference "ad hoc."

The Hon. Mr. Ramdas Pantulu proposed that it should be suggested to the Council of State to recommend to the Government that the local Governments should be forbidden to take punitive or preventive action against members of the central legislature who were touring in the discharge of their public duties without informing the Government of India. The Committee decided to make no recommendation.

The Committee considered the following three questions which were raised in the debate on the Hon. Rao Sahib Dr. Rama Rao's resolution moved on 15th February 1926 viz., equal representation of the Council and the Assembly on the Standing Advisory Committee and like introduction of a larger number of important bills in the Council with the corollary of preference of a larger number of bills to a Select Committee of the Council and the establishment of a convention that voting by the Assembly of grants of the Council of State allowance etc., should not be made the occasion for attacks upon the Council. The Committee decided that these questions appointing it as it had been decided to so interpret that resolution.

Official Bills.

The Hon. Sir Mahomed Habibullah introduced a Bill to amend the Provident Funds Act of 1923 extending the privileges of providing for old age to all classes of educational and administrative bodies.

The Hon'ble Mr. S. R. Das introduced the Bengal Tenancy Act of 1883 Amendment Bill altering pecuniary limits in rent suits as recommended by the Civil Justice Co.

Lastly, Mr. Brayne introduced the Madras Salt Act Amendment Bill so as to fix the minimum charge that could be levied to meet the cost of preventive establishment which had recently increased while there had been lowering of salt duty from Rs. 2-8 per maund to Rs. 1-4 a maund. The House then adjourned.

Prohibition of Alcoholic Liquors.

On the 9TH FEBRUARY, the Hon. Ramadas Pantulu moved for the adoption of a policy of prohibition of the use of alcoholic liquors in local administrations under the direct control of the Government of India. He confined his motion to these local administrations in order to raise the whole question of the policy of prohibition as otherwise he could not do so, excise being a transferred subject in the provinces. The Government's policy had been one of regulation as opposed to prevention or prohibition. This policy had, however, been one of mere negation. The Hon. Mr. Ramadas traced the excise policy from the time of Lord Crew and emphasised that Mr. Brayne's amendment for a policy of moderation was exactly what was laid down in 1898, but which had failed to reduce consumption. There were reliable statistics available to show that reductions in the consumption of alcoholic liquors had not resulted in a corresponding decrease in the consumption of other cheap drink. Thus the popular belief that drink evil had grown was absolutely justified. Prohibition was the need of the hour in the interests of the poor people of India. That this was possible was his firm conviction from his study of what was going in the Madras Province. He need not, therefore allude to the experience of America. Alcohol was next to poison and stunted the growth of the population both in quality and number.

Mr. Brayne's Amendment.

Mr. Brayne moved an amendment that a policy designed to promote and ensure moderation in the use of alcoholic liquors be adopted in local administrations under the direct control of the Government of India. This formula he said, epitomised the Government of India's policy designed to check consumption by limiting the sale of liquor and consulting local opinion wherever possible. Prohibition, on the other hand, was not moral inasmuch as it interfered with the liberty of the subject. The State had no right to interfere with the domestic concerns of individuals, unless there was evidence of such serious abuse as to prove a menace to the safety and well-being of the population. Moreover, prohibition would result in illicit buying and consumption of liquor. Indeed, this had happened and was happening in America. In areas covered by the resolution, there was no evidence of any great drink evil. Since 1883 there had been a decrease of 50 per cent in the quantity of imported liquor and corresponding decrease in the consumption. This policy would be pursued so that further progress might be achieved in the reduction of consumption. This was the only safe and sure policy.

The amendment of Mr. Brayne was put and carried by 21 against 14 votes. The resolution as amended was then carried, non-officials not challenging a division.

Central Road Fund Scheme.

Mr. Suhrawardy moved a resolution recommending that the proceeds of taxation on motor transport be earmarked in a separate account for road development and that a Central Road Development Fund under the Government of India be formed, out of which a yearly grant be made to each local Government according to its needs and necessities for the development of quicker transport in rural areas for the benefit of the agriculturists in India. Mr. Suhrawardy pointed out that his resolution was intended to improve the social and economic condition of the agriculturists. It would secure sufficient mobility of labour and would also help to equalise the prices in agricultural produce and cheapen imported goods. The speaker suggested that heavy import duties on

motor vehicles are to be considerably reduced as recommended by the Taxation Enquiry Committee. A heavy taxation might bring in a large revenue to the Government coffers but it would act as a restraint on quicker and convenient transport in rural areas. He gathered from their report that the present duty was about 30 per cent. Reduction of this import duty was sure to give ample facilities for the increase of trade in rural parts and the Government would not have to incur any loss in matters of revenue. He, therefore, suggested that the Government should reduce the import duty on motor vehicles to an appreciable extent and should earmark the revenue derived from this source exclusively for the development of roads and improvement of rural transport.

Sir Arthur Froom, while supporting the motion, did not agree with its wording. He, therefore, moved an amendment for a Committee, including members of both Houses of the Central Legislature to examine the desirability of developing roads and to consider the formation of a Central Road Board for the purpose of advising in regard to and co-ordinating the policy in respect of road development. Sir Arthur emphasised that his amendment was not antagonistic to the main resolution. The present position was that little or no advantage had been taken of motor cars and motor lorries and motor transport; but without good roads there was no use in importing these modern methods of transport. The proposal was a productive one, for any development of roads would come back in the shape of increased agricultural prosperity.

Mr. Suhrawardy, thereupon, accepted the amendment which was carried without any dissentient voice.

Official and Non-Official Bills.

Mr. P. C. D. Chari moved that instructions be issued to official members of the Central Legislature to refrain from voting on non-official bills and resolutions in the Indian legislature. He said there was no difficulty, legal or constitutional, in the way of accepting the motion. The only question was whether it was necessary or expedient. The speaker quoted elaborately from the Montagu-Chelmsford report to show how the present practice vitiated the very object which the framers of the constitution had in view. It should be the object of the official members to give effect to the constitution and the Government should accede to the view expressed in the motion. The control of the Secretary of State had been relaxed solely to give full expression to the views of non-official members and his motion was quite in accordance with that policy. It was never the intention of Parliament that the official block should be used in order to indirectly defeat the popular view which must be given full scope under the Act.

The resolution was rejected without division.

Separation of Posts and Telegraphs.

Dr. Rama Rao moved that the Posts and Telegraph department and their accounts be separated. He said that the Telegraph department was working at a considerable loss and was, consequently a heavy drag on the Postal department. This unjust and unequal combination went to deprive the masses who availed themselves of the Postal service in a much larger measure than telegraph of the benefits of cheap postage. There was no economy either in the working of these two departments together, for in spite of it some old superior staff still continued. Nor was any valid ground adduced by the Government for a combined system except that telegraph charges was paid for in postage stamps and there would be difficulty in apportioning revenues in each department. This he stated was a flimsy ground. No such difficulty existed in the case of unified receipt stamps in which various provincial Governments had a share and none should exist in this case where apportionment could be more easily effected in the interests of the masses, he urged the separation of these two departments.

The resolution was lost without division. The Council then adjourned.

Official Bills.

On the 11TH FEBRUARY, six official bills were placed on the order paper. Three of these had been introduced at its first sitting and two already passed by the Assembly.

On the motion of the Hon'ble Mr. Corbett, the Council agreed to the introduction of the Bill amending the law relating to provision, maintenance and control of light houses by the Government in British India.

The Hon'ble Mr. Das moved for consideration of the Bill amending the Bengal Tenancy Act of 1885. The Council passed the Bill without discussion.

Sir Mahomed Habibullah's Bill amending the Provident Fund Act 1925 was taken into consideration. He emphasised that it was to afford relief to the deserving class of public servants in educational institutions.

The Hon'ble S. R. Das, Law Member, then moved the House for consideration of the Bill amending the Limitation Act 1908, Sections 20 and 21 as passed by the Assembly. He said that the alterations made in the law were the results of suggestions made by the Lower Chamber to the Bill passed by the Council last August.

On the motion of the Law Member, the Council passed the Registration Act of 1908 Amendment Bill as passed by the Assembly.

When the Madras Salt Act Amendment Bill was taken into consideration Mr. Ramadas Pantulu expressed his difficulty in according support to a measure which left taxation to the Executive. It was a large order to ask the Council to entrust the Central Board of Revenue with this power. Any cess levied would ultimately fall on the consumer. He wanted statistical details relating to liability before he agreed to passing the Bill. The House then adjourned.

Vakil's as Chief Justices.

On the 14TH FEBRUARY another batch of six non-official resolutions was placed for consideration by the Council of State.

The Hon'ble Mr. V. Ramadas Pantulu moved a resolution for the amendment of the Government of India Act so as to permit the appointment of High Court Vakil's as permanent Chief Justices of High Courts of Judicature in India. He pointed out that the existing disability arose from the construction of the ambiguously worded Section 101. The difficulty really lay in the interpretation of words in an obscure proviso to the Section, the words being "including the Chief Justices and excluding Additional Judges." The matter came to a head when Sir K. Srinivasa Iyengar was proposed to be appointed as the Chief Justice of the Madras High Court and at that time His Majesty's Government was advised not to depart from the existing practice. The late Mr. Montagu was ready to recognise that Vakil's were as able as Barristers and therefore should not be prevented from being raised to the rank of permanent Chief Justice. Yet in the year of grace of 1927 the provision was there not only at an anomaly, but as a barbarous anachronism. The Law Membership of the Government of India was thrown open to Vakil's and two appointments on the Judicial Committee of the Privy Council were also thrown open to Vakil's. But while a Vakil could act as a Chief Justice, he was not allowed to hold the post permanently. With few notable exceptions, Barrister Chief Justices had been found sadly wanting in essential qualities for the post.

The motion was withdrawn.

Transfer of Army Head-Quarters.

Sir Ebrahim Jaffer moved that orders for the transfer of Poona district head-quarters from Poona to Secunderabad be immediately cancelled. He wished to make it clear that he had absolutely no intention of interfering with any military strategy. As soon as the move was mooted, citizens and public bodies of Poona expressed their disapproval of the change. Many meetings of protest had been held in an endeavour to persuade the Army Department to consider their decision. He opposed this move on behalf of the Poona citizens, house-holders, shop-keepers and merchants who feared considerable loss at a time when trade depression was beginning to pick up. He opposed the transfer on economical grounds as well as a large sum of money would have to be spent on erection of a new bungalow and head-quarters office at Secunderabad.

The resolution was defeated.

The National Demand.

The next resolution of Kumar Sanker Roy Chaudhuri for effect being given to the National Demand was not moved following the example of members in the Assembly.

Amendment of Income-Tax Act.

Mr. P. C. Desikachari moved the following resolution:—"This Council recommends to the Governor-General in Council to introduce a Bill in the Central Legislature to amend the Indian Income-tax Act by the introduction of (a) a provision on English lines for allowances in respect of wives, children and dependants of assessee, (b) a provision on English lines for objections and appeals against assessment, (c) a provision for differentiation for income-tax purposes between earned and unearned incomes and (d) a provision for giving effect to the recommendation of the Taxation Enquiry Committee for setting off the loss sustained in one year against profits earned in a subsequent year".

Mr. Chari, in a long speech, referred in detail to the English practice under each head and quoted also the views of Dr. Paranjpye of the Taxation Enquiry Committee on the subject. The principles embodied in the resolution were all admittedly sound and he saw no insurmountable objection to their being incorporated in Indian law.

Sir Maneckjee Dadabhoj, supporting the resolution, said most of the amendments urged in the law were of the right character. His opinion was that these must be adopted immediately but for unfortunate reasons, neither the Council nor the Assembly had discussed the Taxation Committee's report which dealt with several questions concerning taxation. He, therefore, endorsed the view generally expressed and in order to give it a practical touch he moved an amendment for a committee of members of both Houses of the Central Legislature to consider the desirability of amending the Income-tax Act on the lines suggested by the mover.

Mr. Desikachari agreed to the amendment for a Committee and the resolution as amended was carried, the Government not challenging a division.

Inter-Class Accommodation in S. I. R.

Mr. Rama Rao moved for provision of inter-class accommodation in the South Indian Railway, both metre and broad gauges, and fixing of the fare for that class at five pies per mile, the same as that charged by the Madras and Southern Mahratta Railway Company. The mover criticised the South Indian Railway Administration and said that the Railway Company had been defying public opinion in the matter of providing and improving inter-class accommodation in their trains. They had even suppressed the fact of provision of inter-class accommodation in up and down Ceylon Boat Mails from their budget submitted to the Government last year. The Government had also made a misleading and incorrect statement in the proceedings of the Standing Finance Committee for railways that there was no inter-class in S. I. R., though actually there was inter-class provided in two trains at last, albeit experimentally. A maximum rate of $7\frac{1}{2}$ pies per mile was collected from passengers. He quoted facts and figures to show that the inter-class was popular in S. I. R. and urged on the Government to take immediate steps to have inter-class accommodation provided in all mail and passenger trains of the S. I. Railway, both metre and broad gauges, and to fix the fare at five pies per mile.

The Light-Houses Bill.

On the 15TH FEBRUARY, the Council of State agreed to the motion of Mr. Corbett that "This Council do recommend to the Legislative Assembly that the Bill to consolidate and amend the law relating to the provision, maintenance and control of light houses by the Government in British India be referred to a Joint Committee of this Council and of the Legislative Assembly and that the Joint Committee do consist of 12 members."

The Law Member then moved that the bill relating to forests, transit of forest produce and duty leviable on timber and other forest produce be taken into consideration.

The bill was then taken into consideration and on the motion of the Law Member, after certain verbal alterations the bill as amended was passed.

Separate Province for the Andhras.

On the 16TH FEBRUARY, four non-official resolutions appeared on the order paper when the Council met. Mr. Ramadas Pantulu moved:—

"This Council recommends to the Governor-General in Council to advise His Majesty's Government to take such steps as may be required to constitute the Andhra Telugu districts into a separate province with a full measure of responsible Government."

Mr. Ramadas Pantulu traced the history of this question at great length. In particular, he referred to the conditions laid down by Mr. Crerar, Home Secretary, when a proposition for the separation of provinces on a linguistic basis was brought forward last year. At that time, the conditions mentioned were that the community concerned must express themselves first in the matter, secondly, that there must be a strong expression of public opinion and thirdly, public opinion must in the first instance be expressed through the primary and constitutional channel, i.e., Legislative Council. All these conditions had been fulfilled in the case of Andhra districts. Successive conferences of the Andhras held under distinguished persons like Sir B. N. Sarma, Raja of Panagal and Dewan Bahadur Ramachandra Rao had expressed themselves in favour of a separate province. The Andhras were politically-minded, progressive people. There was practically unanimity of opinion among the Andhra members of the Madras Legislative Council in favour of a separate province. The claim of the Andhras for a separate province was recently conceded by the establishment of a separate university. In pleading for a separate province, Mr. Ramadas Pantulu said he had in his mind the constitutional future of India as a federal form of Government. In outlining the scheme of Government for the Andhra districts, Mr. Ramadas Pantulu said: (1) The province is to be a unit of a congeries of self-governing Indian provinces associated for certain purposes under a responsible Government of India on a truly federal and quasi-federal basis. (2) The Governor of the province must be strictly a constitutional Governor. (3) The provinces should have a unicameral, not a bicameral legislature entirely elected on the basis of universal adult franchise and on a system of proportional representation by a single transferable vote. A second chamber in a local legislature contemplated by Section 84-A, Government of India Act, is a grave danger which is to be guarded against. (4) The Executive should be undivided and diarchy should completely disappear. The Executive should be fully responsible to the legislature. (5) The province should enjoy as complete a measure of fiscal autonomy as is compatible with its relations to the Central Government and any agreed scheme of financial adjustments between the two. (6) Civil service should be organised and recruited on a provincial basis except such all-India services as may be agreed upon between the Provincial and the Central Governments. Covenanted Indian Civil Service should be abolished. (7) The Government of India should also be a Government responsible to the legislature. The defences of the country will be the exclusive province of the Central Government.

The resolution was put and lost, 28 voting against and 11 for.

Road and Railway Bridge at Mangalore.

Dr. Rama Rao moved his resolution asking that Netravati Bridge near Mangalore on the S. I. Railway line be made available also for cart traffic between Mangalore and neighbouring villages of Ullal, Permannor, Kotekar etc. He said that owing to congestion in Mangalore and consequent unhealthiness of the town this extension was decided upon by Mr. Vibert, a former Collector of South Kanara and the village of Ullal is now growing into a splendid garden city through private enterprise resembling Malabar Hill of Bombay in all respects. The Netravati river between Mangalore and Ullal is not fordable except by boats and during the floods, passage is rendered almost impossible. He requested the Government to make some provision for cart traffic along the railway bridge which he said could be conveniently done as the bridge was

already meant and suitably constructed for the purpose and thus give some relief to suffering Mangaloreans. The resolution was withdrawn.

Utilising Interest on Muslims' Deposits

Sir Ibrahim Jaffer moved that steps be taken to make available for the improvement and expansion of Muslim education all interest accruing from deposits in postal savings banks and Government Securities belonging to Mussalman who do not, owing to religious scruples, receive interest therefrom and that this arrangement be given immediate effect in the provinces in which Muslim public opinion is agreeable to the scheme. The mover pointed out that a summary of the opinions of provincial and other minor Governments as forwarded to the Government of India on the subject showed that the majority of Muslims consulted are in favour of the formation of a fund for the purpose he had suggested and the majority consider that no serious religious susceptibilities of the community will be offended. The majority of local Governments also did not raise any objection in the scheme. There was a slight opposition to the proposal on the part of a minority and for this reason he had moved in his resolution that the scheme be put into immediate operation only in provinces where there was no special opposition.

The motion was declared carried, the Government not challenging a division.

Revision of Court Fees.

On the 22ND FEBRUARY, Mr. P. C. Deiskachari moved for the appointment of an expert committee with a non-official majority to revise the Court Fees Act and the schedule thereto in such a manner as to pitch the scale of court fees as low as possible consistently with the production of revenue just sufficient to cover all sorts of administration of civil justice. He said that capital expenditure should be borne by the general taxpayer while the cost of maintenance alone would be borne by litigants. He was not for increasing litigation but honest litigation should not be checked. The existing schedule was very defective inasmuch as there was no scientific adjustment in rate. His purpose in asking for an enquiry was to see that there was a more equitable and rational basis of levying fees. He suggested levying of initial fees and then increasing the rate so that there should be no element of taxation but only of penalty. The resolution was lost.

Restrictions on Medical Practitioners.

Dr. U. Rama Rao moved that restrictions now imposed on registered medical practitioners who did their own dispensing in respect of such matters as maintenance of detailed accounts for opium preparations prescribed or dispensed by them as medicines for their patients be relaxed.

Dr. Rama Rao said that the Excise Department was rather harsh on the medical profession when it demanded of them to maintain detailed accounts for every little bit of opium they prescribed and dispensed, especially when such small doses in combination with other drugs could not induce the drug habit in a patient or produce intoxication. While a licenced opium vendor could sell one tola of opium at a time to any individual who asked for it and when that individual could dexterously manage to get as much opium as he wanted provided he did not possess more than one tola with him at a time. He failed to see why a medical man alone could not be trusted more than the licenced vendor and should be harassed and treated as if he were a suspect. He wanted the Government to be more generous to the profession and asked them to relax those excise rules so as to give them less worry and more freedom of action in regard to opium prescriptions.

Mr. Brayne, on behalf of the Government, pointed out that it was a provincial subject. The Government of India had, in pursuance of their international obligations, given certain solemn undertakings in respect of poisonous drugs which they could not break.

Dr. Rama Rao suggested that copies of this debate might be forwarded to local Governments. Mr. Brayne agreed to this course. Thereupon Dr. Rama Rao withdrew the resolution.

Societies' Registration Act Amendment.

Mr. Khaparde next stood up to sponsor the Bill of Mr. Kelkar to amend the Societies' Registration Act in order to allow political associations to be registered. Mr. Haig, Home Secretary, supported the Bill but suggested two verbal amendments which were agreed to. The Bill, as amended, was then passed without discussion. The House then adjourned.

Discussion On South African Agreement.

On the 23RD FEBRUARY the terms of the South African settlement were discussed in the Council on the motion of Sir Dinsha Wacha conveying to the Governor-General in Council the appreciation of the Council of the results achieved by the Government of India Delegation to the recent Round Table Conference on the Indian question and expressing the hope that the direct relations that have now been established may eventuate in lasting amity between India and South Africa by a satisfactory settlement of any questions that might still require adjustment.

Sir Dinsha Wacha in moving the resolution said it was the echo of the general wish expressed by the members of this House after Sir Mahomed Habibullah had made his statement the other day. He traced the South African problem and pointed out how at one time the exasperation of the Indian community had reached a climax threatening a Retaliation Bill in the Central Legislature. Fortunately the statesmanship of the Indian rulers and the commonsense of the people withstood all such attempts and now they were in a position to congratulate each other on the happy settlement reached. It was the strenuous efforts of Lord Reading which very nearly found a via media and then in Lord Irwin they had another Viceroy who was equally patient and strenuous in fighting the Indian cause. Circumstances also favoured, for the attitude of General Hertzog had considerably changed for the better and not only General Hertzog but also South African Statesmen understood the feeling and sentiments of the Indian people. These circumstances were very fortunate and created a favourable atmosphere for the Round Table Conference. Combined with this there was the best selection of representatives from India made by Lord Irwin's Government. Everybody expected a favourable settlement and this had now been achieved. The delegation from India went to work something after the spirit of Locarno. The spirit of Locarno was there in South Africa and Sir Dinsha Wacha hoped that this spirit would continue so that other points which required adjustment might also be achieved.

Sir Mahomed Habibullah, replying, felt more embarrassed to-day than when he announced the settlement, because encomiums were gracefully lavished upon him and other members of the Delegation. But for the enthusiastic co-operation of his colleagues they would not have been able to achieve much good. Indeed the whole delegation worked as a team and the results accomplished were really potential of the good which was yet to come. Mr. Gandhi had described the position as a change of attitude on the part of the Union Government from one of remorseless hostility to generous toleration. This connoted a change of heart and when this was achieved they could confidently hope that the problems in South Africa would go on solving themselves in future. The first change was effected by the marvellous work of the Paddison Deputation and the restraint exercised by party leaders in the central legislature and the Indian press and the public. Indeed, last year the atmosphere had reached the boiling point when Lord Reading with his usual sagacity and statesmanship, summoned a conference of party leaders not to bring any motion which would result in further embittering the relations that existed at that time between India and South Africa. The advice was accepted and now they were all in a position to see the wisdom of the course. At the same time he wished to pay a handsome tribute to the wisdom, sagacity and statesmanship of the Ministers in South Africa who were quite anxious to explore all possible means of solving a problem which for decades had agitated the public mind both here and in South Africa. In particular Sir Mahomed referred to General Hertzog who displayed broad-mindedness and Dr. Malan who displayed the godliness of a

clergyman, the acute intellect of a journalist and the diplomacy of an administrator. He also acknowledged the large-hearted hospitality extended to the delegation ever since their arrival in South Africa and till the moment of their departure.

Referring to Mr. Ramadas Pantulu's complaint that the legislature was not consulted before ratifying the agreement, Sir Mahomed referred to the usual practice of the Government of India which, in the case of treaties and agreement's never consulted the legislature before ratification. This was the case in the mother of Parliament as well. Why, Dr. Malan, the Minister of the Interior of a democratic Government himself, announced the terms in the South African Parliament by saying that the settlement had been ratified and that the Parliament could discuss it later? Admitting for the sake of argument that the legislature had a right to be consulted before ratification, then Sir Mahomed felt sure that the Council would have given whole-hearted support to it and there would have been nothing like acrimonious discussion thereon. However, he noted Mr. Ramadas Pantulu's point that political and municipal franchise was not conferred on Indians in South Africa. He felt sure that as feelings between the two countries would grow and the atmosphere gained accession of strength on the side of Indians the grant of these rights would adjust themselves to the prevailing conditions. The settlement now arrived at might be regarded as a prelude to the possibility of such a condition. Mr. Pantulu had remarked that South African Indian opinion must be consulted on this settlement. According to a Reuter's telegram received to-day, it appeared that all shades of opinion in the Cape Province applauded the Indian agreement (Swarajist Benches: Hear, hear). So, there need be no misgivings on that score.

Proceeding, Sir Mahomed acknowledged the services to India of Mr. C. F. Andrews who acted as a valuable link between the delegation and the Indian community in South Africa. Concluding he said:—"If I may borrow a simile our deputation was like a body of medical practitioners who were summoned to South Africa to examine a patient whose conditions had been pronounced to be critical and who was suffering from a chronic disease. We went there, we examined the patient, diagnosed the disease and applied a certain remedy. While leaving the patient, we returned with the satisfaction that he had turned the corner. That does not mean that he does not need further nursing and looking after. He will continue to be nursed and treated. We hope that from day to-day he will make progress until he is himself again.

The resolution was adopted unanimously amidst general cheers. The Council then adjourned.

Agricultural indebtedness.

On the 24TH FEBRUARY, Mr. V. Ramadas Pantulu moved his resolution recommending the adoption of measures for the reduction of agricultural indebtedness in India and to establish land mortgage banks to provide the agriculturists with long term and easy and productive credit. Mr. Ramadas described the position of the agriculturists as one of chronic poverty leading to low agricultural production. There had been no organised attempt in India to consider the question as a whole. The fact, however, was known that agricultural indebtedness amounted to 600 crores and there was general agreement that this indebtedness was increasing. Low economic efficiency of the ryot led to deterioration of soil and impaired the productivity of land. Land being a national asset, the State was bound to preserve its economic state. Moreover, it was the State which derived most of its income from land. Mr. Ramadas quoted the views of Sir Edward MacLagan in support of his argument and opined that the best method of solving the problem was to establish land mortgage banks to provide agriculturists with long term easy and productive credit.

Continuing Mr. Ramadas Pantulu said that these banks could not be started without State aid. This State aid should take the form of Government instituting assessment value of lands. Secondly, the interest of debentures should be guaranteed by State till they become popular. Then the State should also invest in mortgage banks moneys lying in deposit with it at little or no interest. Lastly, the Trust Act should be so amended as to permit of investment in banks.

The Council divided and the resolution was carried. The Council then adjourned till the 28th when the general budget was presented. The Steel Protection Bill was discussed on 1 March.

STEEL PROTECTION BILL.

On the 1ST MARCH Sir George Rainey, in moving that the Indian Steel Industry Protection Bill as passed by the Legislative Assembly be taken into consideration, spoke for a little over one hour. After briefly referring to the history of protective movement of steel industry in this country, he pointed out that three classes of steel in Jamshedpur required no fresh protection and they were fish plates, sleepers and tin bar. Heavy and medium rails and galvanised sheet required not only 12½ per cent protection, but for other classes of steel revenue duty would give inadequate protection and substantial addition to it was, therefore, necessary. After comparing the difference in duties as existed now and as proposed, Sir George Rainey explained that heavy as the drop had been in the prices of imported steel, the cost of production had come down even more substantially, while the output of finished steel at Jamshedpur promised to be half as large again as the output which was believed to represent the full capacity of the works in 1924. Continuing, Sir George said that the Tata Steel Company was hoping now to reduce the cost of production in Jamshedpur and by April 1934 they would be able to dispense with any scheme of protection from the Government. After explaining to the House the method adopted by the Tariff Board in fixing the cost of production of steel in Jamshedpur, the speaker went on to say that the measure of protection now sought to be given was the difference between the fair selling price for Indian manufactures and the estimated price at which imported steel entered India. Explaining why purchasers were willing to pay extra to get British steel, Sir George said that British steel was made to what was known as the British standard of specification laid down by the British Engineering Association in consultation with the users and manufacturers. If neither British nor continental steel could be used to determine the measure of protection, it was natural to ask why the 1924 plan should not be adopted. If it was, the price of standard steel would become unmanageably high. Apart from this, it was impossible to fix the amount of duty unless it could first be ascertained what proportion of his output the Indian manufacturer would sell to the purchasers who would pay British price and what proportion to those who would only pay continental price. Continuing, Sir George maintained that in view of India's treaty obligations it was impracticable to impose a basic duty on British steel and anti-dumping duties on steel imported from particular countries. On the scheme to combine protective duties with bounties, the speaker said that in proportion as protective duties achieved their object the payment of bounties became financially impossible. On the proposal to differentiate between expensive standard steel and cheap standard steel, he said each class supplied a different demand and, therefore, differentiation was impossible.

After examining at length the alternative schemes brought forward before the Assembly Sir George answered the criticism in respect of alleged imperial preference in the Bill. The Government, he said, were actuated by no motive other than that India should benefit. After explaining the reasons why continental steel was cheaper because of certain methods adopted in the continent for production of such steel, Sir George said that the proposed scheme was the work of an entirely impartial body and had a strong claim to the endorsement of the council of State.

Mr. Ramadas's Amendment.

Mr. V. Ramadas Pantulu then moved his amendment laying down that it was open to the Governor-General in Council if satisfied that articles under part seven of the schedule were being imported at such a price as was likely to render ineffective the protection intended to be afforded to similar articles produced in India to increase such duty by notification as he thought fit.

Mr. Ramadas Pantulu said the combined effect of the scheme of differential duties and the official scheme was open to grave objections of a political and

economic character. The British press and the Anglo-Indian press were gloating over the committal of the Assembly to this principle as a good augury for the future of British trade. Economic objections were equally serious if not more. The scheme imposed unnecessary burden on the consumer of at least Rs. 40 lakhs per annum computed on a cautious basis without benefit to the Indian industry. This additional burden operated to afford a generous measure of preference to the British manufacturers and put illegitimate protective duties into the pocket of the Government. The consumers of steel in places like Madras, Bombay, Karachi and Burma were compelled to pay higher prices for continental steel with which the Tatas did not compete. Then there was a real danger if inferior steel was placed on the Indian market at a high cost. His scheme was this. Duties to be imposed were duties proposed in the official scheme for British manufactures and called basic duties. This duty was to be uniform on steel coming into India from any source instead of additional duties now proposed. To protect Tatas against continental competition an amount equal to additional duty should be given by way of bounties. The amount of these bounties would approximately be Rs. 25½ lakhs, a fund from which could be paid the excess of the amount realised by protection duties over ordinary revenue duties. This excess was estimated at Rs. 65½ lakhs. The merits of this scheme were that it would eliminate the most objectionable feature of securing British preference besides removing unnecessary burden from off the shoulders of the consumers. It would not at any rate heighten it. It would also prevent the Government deriving additional illegitimate revenue from protective duties and finally afford the same protection to Indian industry as the official scheme without its drawbacks.

The House then divided and rejected Mr. Pantulu's amendment by 33 against 11 votes. Clause two was then passed without opposition.

Sir Sankaran's Amendment.

Sir Sankaran Nair then moved the insertion of a new clause after clause two to the effect that if it was shown that there was no difference in quality between articles of British and non-British manufacture, no protective duty at special or differential should be imposed. Sir Sankaran Nair said that England was anxious to exclude the Luxumburg Steel combine and prevent continental steel from competing with her. In the present state of India's mind, the Government should not do anything that smacked of this.

Continuing, Sir Sankaran said that if continental steel was satisfactorily shown to be of the same quality as British standard steel, no differential duties should be levied. In other words, his amendment wanted a distinction to be made not between British and continental steel but between standard and non-standard steel.

Sir Sankaran's amendment was thrown out by 30 against 12. The House, thereafter, passed all clauses of the bill.

Bill Passed.

Mr. Pantulu did not move his other two amendments as they were inter-related to his first one which had already been rejected by the House.

Sir George Rainey then moved that the bill as it stood be passed. Seth Govindas, in opposing the motion on behalf of the Congress Party, said they were not against the protection of indigeness industry, but they were strongly opposed to imperial preference introduced in the bill. Sir George Rainey not replying the motion was put to vote and carried without division. The House then adjourned.

On the 3RD MARCH the Council had a brief sitting with non-official resolutions. On the 5th March, the House held a general discussion of the Government of India's Budget.

Malpe-Mangalore Line.

On the 7TH MARCH, Mr. U. Rama Rao moved for construction of a new railway line between Mangalore and the nearest British territory and that provision be made for the purpose in the Railway Budget.

Dr. Rama Rao traced the history of agitation for railway facilities in South and North Canara Districts and said that all proposals had been rejected by Government under various pretexts. In view of Mangalore-Malpe line survey might be extended and the gap made up. The suggested line, said the mover, would bring happiness to people. The motion was ultimately withdrawn.

Compulsory Military Training For Students.

Mr. Ramadas Pantulu then urged the adoption of measures of provision of compulsory military training for college students in Indian Universities. Mr. Pantulu condemned the educational system which was making weaklings of youngmen. Physical education was as necessary as intellectual education. He quoted the Esher Committee's Report to prove that students corps were likely to furnish best material on which to build national army. If he was asked for a parallel to his move in other countries he would ask the counter question whether any other country emasculated the nation by law as in India. In the Madras University they had already been moving in favour of compulsory military training. Continuing, Mr. Ramadas condemned the excuse that during vacations it was not possible to look after the arms of the University Corps. He would ask what had become of police stations and other Government offices. Although Universities like Benares and Aligarh were demanding compulsory training, Government were taking an indefensible attitude. He deplored the lack of facilities for military training of Indians either in India or in England. There was no danger either to the Empire or to the permanence of British rule in organising a sound national militia as a second line of defence.

Mr. Desikachari's Amendment.

Mr. Desikachari opined that the resolution did not realise the difficulties in the way of its acceptance. If the mover's object was provision for military drill and training in arms to that effect the word "compulsory" ought to give way to the words "further facilities."

The House without division carried Mr. Ramadas Pantulu's resolution as amended by Mr. Chari.

Combating Tuberculosis.

Sir Ebrahim Jaffer then moved his resolution for immediate steps to be taken to call a conference to discuss the question of a provision of tuberculosis hospitals, sanatoria and institutions for training practitioners in tuberculosis treatment throughout India. Sir Ebrahim said the Government could start off in a very definite way to combat the scourge where they know it existed. During the past twenty years there had been a noticeable progressive increase in the extent of infection by about fifty percent over the previous figure. He admitted that a certain amount of relief work had during the years been undertaken by the provincial and central Governments. But in view of the vastness of the task, previous efforts had been a bare tinkering at the problem.

The resolution was accepted by the Government and passed by the Council which then adjourned.

Control over Medicinal Drugs.

On the 9TH MARCH, Sir Ebrahim Jaffer moved his resolution urging all provincial Governments to take immediate measures to control the craze for medicinal drugs by legislation for standardization of preparation and sale of such drugs. Sir Ebrahim quoted from discussions at the last Science Congress that there was a tendency among practitioners to overdose their patients with drugs which meant that an enormous amount of money was wasted on medicines. He did not intend in this resolution to interfere directly with provincial control over ordinary narcotic drugs such as opium because he realised it was a matter connected with excise revenue and also that excise policy was a transferred subject. There should, however, be absolutely no difficulty in seeing that drugs and drug preparations manufactured in this country were subject to Government control to see that the quality of preparation was at least up to the standard laid down in the Pharmacopoeia. All round the world there was long trial of human misery and suffering due to indiscriminate use of drugs ostensibly as medicines, but actually

as narcotics and intoxicants. He, therefore, declared that the fight must be waged against threatened dangers to the people of this country.

An Amendment.

Sir M. Dadabhoi moved an amendment calling upon all provincial Governments to control medicinal drug traffic. The resolution as amended was carried.

Amendment of Forests Act.

Mr. Anugraha Narain Sinha then urged the appointment of a committee to suggest the amendment of Forests Act and said that, since the passing of the measure in 1878, conditions had changed with the result that provisions were now proving a hardship to the people. With a view, therefore, to so amend the Act as to meet modern requirements, he would urge acceptance of his motion.

Sir Maneckji Dadabhoi moved an amendment to refer the matter to local Governments for opinion. The resolution as amended was agreed to.

Indian Delegation to League Assembly

Sir Phiroze Sethna, moving his resolution in favour of the appointment of an Indian to lead India's delegation to the Assembly of the League of Nations, at the next and subsequent sessions, recalled his previous resolutions on the subject. He also recalled Mr. Das's reply last year that the Government hoped to appoint an Indian to be the leader. The speaker who was in England at the time when the leader was chosen from among Britishers last year wrote a letter to "The Times" of London and had asked whether eminent Indians like Lord Sinha and the Right Hon'ble V. S. Srinivasa Sastri and Sir Ali Iman were not considered qualified to lead the Indian deputation. Sir Mahomed Shafi and Mr. Das had said on previous occasions that under the existing constitution, the Secretary of State was ultimately responsible for the matter. To the allegation that the questions before the League of Nations also involved those of international or foreign relations, Sir Phiroze Sethna replied that the Government of India had also foreign relations to deal with and asked whether Indians in the Government of India were not found qualified for the purpose. To choose, not necessarily a member of the British cabinet but always from among the Britishers, the leader of the deputation was unwarranted and unjustified and constituted a slur that there was no competent Indian to lead the delegation; but the Government of India themselves ought to tell the Secretary of State to choose an Indian like Sir Mahomed Habibullah who led the Indian deputation to South Africa with remarkable success.

The resolution was carried 25 voting for and 18 against it. The House adjourned.

Official Bills.

On the 10TH MARCH, on the motion of Mr. S. R. Das, the Council agreed to pass the Bill amending certain enactments and repealing certain other enactments. The Bill to amend the Sea Customs Act for certain purpose having been agreed to on the motion of Mr. Brayne, Mr. S. R. Das moved for certain verbal amendments in the Bill for amending Indian Limitation Act as passed by the Assembly. The amendment was agreed to without discussion and the Bill as amended was passed unanimously.

Members' Privileges.

Mr. V. Ramadas Pantulu then moved the following resolution: This Council recommends to the Governor-General in Council to give effect to the following recommendations of the Committee appointed to enquire into the privileges and status of members of the Council of State:—

(1) that members should be permitted to draw daily allowance for a period of three days' residence before and after the meeting of the Council instead of the existing period of 7 days;

(2) that in the case of non-official members a daily allowance at half the daily rate admissible during a session should be paid for days occupied in travelling to and from the place of sitting of the Council provided that the same privilege is extended to members of the Assembly; and

(3) that a member who is a resident of the place in which the Council is sitting should be made eligible for daily allowance for the days on which he attended a sitting of the House or of a committee of which he is a member.

Mr. Ramadas Pantulu traced the history of the question and said that the committee had been appointed at the instance of Mr. K. C. Roy who, as a Member of the House, had suggested taking up this question in committee instead of Dr. Rama Rao's motion in favour of discussing it in open House. The Committee had already made certain recommendations which it was for the Government now to carry into effect.

The House divided on the first clause which was rejected by fifteen against seven. After the first clause had been rejected, the second and third as amended by Mr. Das were carried. The Council then adjourned.

The Hindu-Muslim Problem.

On the 16TH MARCH, after a week's recess, the Council of State held an important sitting with a non-official resolution and amendments of a contentious character.

Sir Sankaran Nair moved a resolution recommending to the Government that the number of members of Legislative Councils in India be not increased, that no additional powers be conferred on them expressly or by implication and that no further step towards responsible Government be taken until Hindus and Mahomedans agree to dispense with the election of members to those Councils by separate electorates composed only of Hindus or Mahomedans.

Sir Alexander Muddiman, speaking on behalf of the Government, paid a tribute to the remarkable manner in which Sir Sankaran Nair had moved his resolution. He had no hesitation in saying that it was a remarkable resolution of a remarkable personality and not a backbencher. In the opinion of some, it would mean that if effect were given to Sir Sankaran Nair's motion the Reforms should be put off indefinitely until and unless the differences referred to were composed. Continuing, the Home Member said that the authors of the Montagu Chelmsford report clearly recognised that separate representation would perpetuate class division and stereotype the existing relations, but they were convinced that the present system must be maintained until conditions altered even at the price of slower progress towards the realisation of common citizenship. The same was the view of the Franchise Committee. After mentioning the names of the Councils where separate representation was given to minorities like Mahomedans, Christians, Anglo-Indians, Non-Brahmins and Europeans, the Home Member referred to the evidence given by Sir Sankaran Nair before the Southborough Committee where he was in favour of separate representation for Non-Brahmins because he could not help giving it. Sir Sankaran's later evidence showed that he proposed the method of reservation of seats and not communal electorate. He (the Home Member) knew what it was to suffer from the tyranny of the majority. He was undergoing that tyranny for the last three years in the Assembly. He was not surprised at the feeling of apprehension among minority communities in a country where universal conception of relations between majority and minority as existing in England and advanced countries had not been fully attained. He knew the short-lived Bengal pact, but there were also resolutions of the Muslim League which were not helpful. The majority of the Muddiman Committee was not prepared to recommend the substitution of reservation of seats for separate electorates. The views of the minority on the committee were in direct opposition to Sir Sankaran Nair's resolution. The Government of India, therefore, had not and could not change its attitude in regard to this question as the demand for separate representation of minorities instead of diminishing had continually been on the increase. The reforms were in some measure responsible for this position. Power had been gradually handed over to representatives of the people and the exercise of that power had become a source of strife between the two great communities in this country. Mr. Jinnah had said that nationalism could not be created by having mixed electorates, but Sir Sankaran Nair said that it was not possible to have nationalism with separate electorates. As Lord Irwin said at Poona communal

representation promoted division. The situation demanded a wide measure of mutual toleration and until that stage was reached any substantial modification of the existing system would largely depend upon the general consent of all communities. The Government, said the Home Member, were primarily convinced that the relations between Hindus and Mahomedans would have been more bitter than what they were now if they had attempted to force on the people in 1919 reforms without some form of communal representation. Of course, so long as the British Government was in India, they would see that the two communities did not break their heads but let the western conception of relations between majority and minority be developed. Whatever the result of the debate, he hoped that it would proceed in such a manner as to leave some room for further progress on the path of reforms.

Mr. Sukrawardy's Amendment

Mr. Sukrawardy, in moving his amendment, favouring the institution of separate electorates without reducing the majority into a minority or even to equality, deplored that Sir Sankaran Nair with his quarter of a century's distinguished public life behind him should have brought forward the resolution. Mussalmans were in a minority and their educational facilities were not many. Sir Sankaran was mistaken if he thought that muslims were opposed to further extension of constitutional reforms. On behalf of Bengal, he would ask Parliament to grant reforms, but he was bound to say that consistent with their position in the country they could not agree to Sir Sankaran's motion. To his mind the joint electorate was the ideal end in view. (Cheers), but in the meanwhile mass psychology had to be changed. It might be argued that seats might be reserved for Mussalmans. He did not call it altogether a bitter pill, but he would say that Sir Sankaran Nair instead of telling Mussalmans to give up what little they had should tell the Hindus to observe the spirit of the adage "Live and let live".

Sardar Jaidev Singh's Amendment.

Sardar Jaidev Singh Uberoi explained that Sir Sankaran's motive was not to retard progress towards Swaraj but to apply indirect means of bringing about the much desired unity between the communities. To the extent, therefore, his resolution deserved welcome, but at the same time they should not forget that the authorities of the Montford scheme had distinctly recognised the necessity for communal representation. He would say that the communal electorate was certainly an impediment. He, therefore, removed what he called a media amendment favouring separate representation of important minorities, but he was sure that joint electorates would serve the very purpose of communal electorates. As a Sikh, he would be only too glad to find his community in a joint electorate.

The position of the Congress Party in the Central Legislature on communal representation was explained by Mr. Ramadas Pantulu. He observed: The Congress stands for national unity on a footing of inter-communal harmony. Its scheme of responsible Government is broad-based on what may comprehensively be described as national as opposed to sectional or communal ideals. We believe that our salvation lies in clear conception and practical realisation of a united India nation. The Congress never accepted the political heresy that co-existence in India of communities, cultures, castes and languages is a real impediment to the attainment of full nationhood and freedom by the people of this country, but we are alive to the fact that nationhood and freedom cannot be attained without our developing a full and practical sense of justice to all communities and creeds which is in no way inconsistent with nationalism and which alone can safeguard the legitimate rights of minorities in any scheme of political reconstruction of India. It is an inevitable feature at present. This position was made perfectly clear in the National Demand placed before the central legislature in September 1935 wherein we insisted upon Government taking steps to constitute a suitable agency adequately representative of all Indian, European and Anglo-Indian interests to frame with due regard to the

interests of minorities a detailed scheme of Self-Government based on the principles enumerated in that demand. Representation of communities in India in just and adequate proportions in various spheres of national life and activity with safeguards to automatically ensure in time full nationalism and complete obliteration of communalism is but a corollary to the practical application of these principles to the solution of the communal problem. The Congress undoubtedly stands for securing such just representation through the medium of joint electorates and joint action on the part of all communities. Undoubtedly, all patriotic and intelligent Hindus and Mahomedans recognise the value of joint electorates as great unifying factors in national upbuilding. They are also alive to disputing and disintegrating tendencies of separate electorates and are conscious of their being serious obstacles to the attainment of Self-Government. There is, therefore, a desire on their part to arrive at an honourable understanding in the matter which will be for the lasting benefit of their common motherland. It is true that in the attempt to effect a satisfactory settlement, some Moslems and Hindus advocate retention of separate electorates for some time longer, but they confess they do so merely with a view to help to obliterate all traces of mutual distrust which unfortunately mars the relations of the two communities at present. They concede that separate electorates are a necessary evil and are temporary expedients to tide over the difficulties of the present situation which is hoped to be a passing phase of our national struggle for freedom. This sentiment in itself is an ample vindication of the policy and principles of the Indian National Congress. The Congress is doing all it can to remove distrust and to bring the two communities together. The question is now engaging the serious attention of all right-thinking Hindus and Moslem leaders and no avenue likely to lead to a settlement will be left unexplored. The report of the Working Committee of the Congress will be presented very soon to the A. I. C. C.

I believe that Sir Sankaran Nair worded his resolution in the extreme form he did in order to draw pointed attention of the Council to the manifest danger of communalism and he could not have expected either community to accept his proposal to stop all further constitutional advance even in the contingency contemplated by him. The matter is essentially one for negotiation and settlement between the two communities. It is, therefore, impossible for Congressmen to agree to any commitments in anticipation of such a settlement. While we hold fast to our ideals of nationalism and have an abiding faith in their ultimate realisation, we recognise that there are no short cuts to that goal such as the one suggested in the resolution. That way lies unwisdom, for we shall play thereby into the hands of vested interests whose one aim is to delay progress and perpetuate their domination.

There is also another reason for our inability to support the resolution. Sir Sankaran Nair overlooked an important consideration in seeking to apply his deterrent remedy to the whole of India. In many provinces the Hindu-Moslem problem does not exist for all practical purposes. If simultaneous and uniform progress is not practicable or attainable in all provinces in India owing to communal disharmony in some provinces, that is no conceivable reason for denying further advance to provinces in which Hindus and Mahomedans are able to co-operate in putting their shoulders to the wheel of progress. Such provinces may perhaps serve as object lessons and demonstrate to other provinces the benefits of mutual trust and communal harmony as leading to speedier progress.

Mr. Suhrawardy's amendment which seeks to instal separate communal electorates as the basic and fundamental principle of the Indian constitution is undoubtedly a most retrograde proposal. I beg of the advocates of separate electorates, be they Hindus or Moslems—there are such advocates in both the communities—to pause and give a calm thought to the implications of their demand. If the aim of my Hon'ble friend who moved the amendment is to secure the return of strong Moslem representatives through separate electorates, is it not likely that Hindus who are in a majority in many provinces will also return aggressively communal Hindus to the elected bodies? How will this

process help the Moslem minorities to secure their rights? If representatives of both communities come through the same electorates, are there not more chances for larger manifestation of good feeling and co-operation among them? Again, my Hon'ble friend speaks of effective representation. May I know how a minority can ever be effectively represented even on a communal basis in a province like Madras where the Moslems form about 7 per cent of the population? If they are given 15 per cent of the elected seats, can they have effective representation? How can 15 Moslems enforce their views against 85 non-moslems? No minority can become effective unless it is converted into a majority or an equality. It is through the compelling forces of nationalism and patriotism that the good sense of the majority is developed not to override the rights of minorities. It is this conviction that led Indian, Christian and Parsi communities to favour all along joint electorates.

If, however, extraneous safeguards are desired for preventing majorities from treading upon the corns of minorities, then we shall have to resort to one or two expedients. We must either invest the executive with large residuary powers of interference to protect minorities or secure statutory safeguards by enacting suitable provisions in the fundamental laws of the constitution against infringement by majority communities of religious and social rights of minorities. My Moslem brethren will not stand to gain anything by vesting in the executive large residuary powers. If the executive Government functions as a responsible Government, it must necessarily yield to the popular will which is synonymous with the will of the Non-Moslem majority and will be impotent to protect the interests of Moslem minorities. If the executive on the other hand, continues to be irresponsible to the legislatures, neither the Moslems nor the Hindus will ever get self-government. The alternative which is the proper course, therefore, for all minorities is to ask for enacting safeguards in fundamental laws of the constitution. This was already recognised and expressly provided for in the National Demand in which representatives of all parties in the central legislature have joined. Let us not, therefore, commit political suicide by perpetuating communal electorates. Notwithstanding most extreme forms imaginable in which the honourable movers of the original resolution and the amendment clothed their respective proposals, I trust that this debate will not add to the existing tension but will on the other hand, serve as an opportunity for frank and free discussion of a vital problem with a view to its satisfactory solution. I hope at all events that it will bring home to the minds of the people the truth that if India is privileged to have even a distant vision of the promised land, it should see with both its eyes, and if India is to breathe the air of freedom eventually it should also do so with both its lungs, the Hindu and Moslem communities.

Sir Sankaran Nair's Reply to the Debate.

Mr. G. S. Khaparde having reserved his amendment limiting communal representation to the terms of the Lucknow pact, Sir Sankaran Nair replied to the debate. He said his idea of the word minority had been much misunderstood. Mahomedans in Bengal were not a minority community. Similarly Madras Non-Brahmins were in a majority and still all these claimed communal representation. Was it being contested, asked Sir Sankaran Nair, that even if there should be only five persons of a particular community in any one province, as for instance Sikhs in Madras, they should have a separate electorate? Continuing he instanced the case of Europeans who, though returned to the Council in small numbers, stated their case well and briefly and trusted to the common sense of the house. If the decision was perverse, they looked to the executive Government to override the council's decision in their favour. That ought to be, in his opinion, the attitude of the minority communities.

Resolution Withdrawn.

All amendments having been lost without division, Sir Sankaran Nair withdrew the resolution.

Constitution of Advisory Committee.

Mr. Ramadas Pantulu then moved for modification of rules relating to

constitution of departmental advisory committees to provide for election of all of their members instead of electing panels from which members were selected at present. The mover said that self-respect demanded that all members for these committees should be elected.

The resolution was rejected, the mover not challenging a division.

Presidentship of the Council.

On the 21ST MARCH Sir Sankaran Nair moved his resolution favouring the amendment of the Government of India Act so as to provide for the Governor-General being the President of the Council and said he desired to restore the old practice obtaining in the Imperial Legislative Council. The President, he said, ought to be impartial and a paid permanent Government Officer could not be above suspicion in the present transition stage. Moreover, it was not a civilian that should preside over the destinies of the House, but one who was nurtured in traditions of democracy. He thought a parliamentarian was better likely than a civilian to relay and favourably interpret the rules and regulations. From his own experience in the past, he would say the Viceroy as President of the House was a living reality.

Continuing, Sir Sankaran Nair said that, when the Viceroy could not find time, a member of the Executive Council could preside.

Mr. Desikachari's Amendment.

Mr. P. C. Desikachari moved an amendment providing for the appointment of an elected non-official member as President of the House. The object of the Government of India Act being to vest more power in elected representatives of the people, it was but fair that they should be given opportunities of guiding the proceedings of the House.

The amendment was lost without a division.

Mr. Ramadas's Amendment.

Mr. Ramadas Pantulu moved another amendment for the election of the President by the Council of State from among the elected members subject to the Governor-General's approval. He declared that bicameral system of legislature in the Central Government in India had come to stay and the reform would certainly go to improve the upper chamber. If the Assembly was entrusted with the task of electing its own President, there was nothing against this House being entrusted with the same right.

The amendment, on being put to division, was rejected by 32 votes against 10.

Mr. Pantulu, speaking on Sir Sankaran's resolution, opposed the appointment of the Governor-General to the Presidentship of the Council of State. He said it would be undesirable for the Governor-General to preside over the House not only on account of the personal difficulties of His Excellency but also because it tended to go against the progressive nature of the constitution.

Sir Sankaran Nair, replying, said that if an executive official should preside over the deliberations of the House, it was much better to have the Viceroy for the purpose. The motion was rejected.

Warrant of Precedence.

Lala Ramsarandas then moved a resolution favouring steps to secure assignment of a suitable place in the Warrant of Precedence to Members of the Council of State, Assembly and Provincial Councils. Sir Umar Hayat Khan and Major Akbar Khan supported the motion, the latter with some reservation.

Sir Arthur Froom moved an amendment restricting the scope of the motion only to members of the Council of State. Mr. Chari supported the amendment which was accepted by Lala Ramsarandas. The motion as amended was agreed to.

Debate on Currency Bill.

On the 24TH MARCH the Currency bill was taken up for consideration in the Council on the motion of Mr. Brayne.

Mr. Brayne said that the amendments made in another place did not affect the main principles of the bill, which had been widely discussed. Adjustment in prices had taken place more on the side of 1s. 6d. ratio than on the

side of 1s. 4d. The charge that the Government had effected manipulation in order to maintain exchange at 1s. 6d. was unfair and unfounded. If 1s. 6d. ratio was adopted, then it would mean definite remission of provincial contributions. Otherwise, there would be additional taxation or no remission. Reversion to 1s. 4d. ratio combined with reduction of salt duty would mean deficit of about Rs. 5 crores in 1927-28, and larger deficits in future years. The effect of this action on the credit of India and on her powers to borrow would be appalling. He, therefore, asked the House to look at one picture which was one of continuing and abiding prosperity and another which was one of gloom and disappointment.

Sir Maneckjee Dadabhoj, Member of the Currency Commission, was the first to speak on the motion. He warmly protested against the attacks made by irresponsible members in the Assembly on the members of the Commission who were not there to defend themselves. As for himself, he did not resent the accusations. But it was his duty to defend Sir Henry Strakoch who had been described as having muddled the currency in South Africa and also muddled the currency in India. It was regrettable that Sir Purushottamdas Thakurdas, himself a member, had not the gallantry enough to protest against this charge, especially when Sir Purushottamdas had, in his own speech, showered encomiums on both the Right Hon'ble Hilton Young and Sir Henry Strakoch. His attitude was of great significance at the same time. He repudiated Sir Purushottamdas's charge that 1s. 6d. ratio was a broad day loot. This charge meant that the Commission had made up its mind for 1s. 6d. which was not the case. If any one on the Commission had made up his mind on the ratio, it was Sir Purushottamdas Thakurdas whom the Government should not have selected for that reason. For had not that member made himself responsible for the two bills asking the Government to fix the ratio at 1s. 4d.? The selection of Sir Purushottamdas was not fair to the Government or to Sir Purushottamdas himself.

Amendment to Ratio Clause.

On Sir Arthur Froom's suggestion the question was put and the bill was taken into consideration.

Seth Govindas, moving his amendment favouring 1s. 4d. averred that India was not bound down by the Commission's recommendations, for the Commission itself was prejudiced in favour of foreign capitalists and the Government officials. As agriculturist and businessman himself, he claimed to know the real interests of the agricultural population. He did not subscribe to the proposition that the ratio was less important than gold standard or gold currency. He contended that prices had by no means come down as alleged. The Indian agriculturists consumed only 7 per cent of the imports. They would certainly lose by 1s. 6d. ratio. The Government's action was like robbing Indian Peter to pay English Paul and that Sir Basil was like Nero fiddling when Rome was burning. Was the Council going to vote for a ratio which would result in the shutting down of mills and other industrial concerns and result in lock-outs and labour disturbances?

The Council divided on Seth Govindas's amendment for 1s. 4d. ratio and rejected it by 31 against 10 votes. The House then adjourned.

On the 25TH MARCH the Council re-assembled to discuss the amendments in respect of clauses other than clause four of the Currency Bill.

Seth Govindas and Mr. P. C. Desikachari respectively moved their amendments recommending the institution of an independent gold mohur in India. Seth Govindas averred that the policy adopted since 1809 was inculcating more suspicions in popular mind that the Government instead of giving India a gold currency and gold coin according to her desire were taking away all available gold to England when India wanted gold. She was forced to a token currency which she did not like.

Mr. Desikachari made a passionate appeal in support of his amendment for minting of gold mohurs. He challenged any member to deny that there was a demand for gold coins.

Both the amendments of Seth Govindas and Mr. Desikachari were defeated by 27 against 10 votes.

25 MAR. '27] GOLD STANDARD AND RESERVE BANK BILLS 249(c)

Lala Ramaswaradas' amendment opposing demonetisation of sovereign was ruled out of order and Mr. K. S. Roy Chowdhry unsuccessfully moved two amendments on purchase of gold at Currency Office.

All clauses of the Bill having been passed, Mr. Brayne moved the third reading of the Bill.

The Bill was passed without division, Swarajists and few others crying "No."

Gold Standard and Reserve Bank Bills.

On the motion of Mr. Brayne, the Council agreed to the Assembly's recommendation to refer the gold standard and Reserve Bank and Imperial Bank Bills to a joint Committee of both the Houses consisting of 28 members.

Finance Bill Passed.

On the 26TH MARCH the Finance Bill which was passed by the Assembly was discussed in the Council.

Mr. Brayne pointed out that the Assembly's reduction of salt duty to Rs. 10 meant a little over 3 crores of loss in the revenue and corresponding effects on the Government programme of remission of provincial contributions.

Sir Omar Hayat Khan moving the restoration of the salt tax to Rs. 1/4 characterised the agitation for the reduction of the duty as a bogus war cry and also criticised the late Mr. Gokhale in this connection.

The House divided and carried Sir Omar Hayat Khan's amendment by 28 against 9.

Reduction of Postal Rates.

Seth Covindas then moved his amendment for the reduction of postal rates making post cards available at quarter of an anna. He said the loss would be only 86 lakhs and hoped the Government would manage to face the loss of this small sum.

The amendment was rejected by 26 against 14 votes.

Amendment on Super-Tax.

Lala Ramsarandas moved an amendment to the super-tax schedule of the Finance Bill reducing the company super-tax to one anna per rupee in excess of the total of Rs. 50,000 of the total income and seeking to absolve the joint-Hindu family income of the first Rs. 25,000 over the excess. The amendment dealt with all forms of super-tax. The mover said that monied people rendered loyal service to the Government during war time. Appealing to the Finance Member to agree to the amendment he urged that the income ought to be determined by actual amount of savings.

The amendment was rejected without a division.

Clause of the Finance Bill having been separately passed, Mr. Brayne moved that the Bill as amended be passed.

After the Finance Member's reply the Finance Bill was passed without division. The only change made to the Bill was that the Salt Tax was restored to Rs. 1/4 mowd. The House then adjourned to the 29th March when after transactions of purely formal business, the Council adjourned "Sine die"

The Legislative Assembly.

Budget Cuts in 1925-26.

On the 3RD FEBRUARY 1927 the following statement was laid on the table of the Assembly by Sir Basil Blackett, in reply to Mr. Doraiswami Iyengar's enquiry regarding the action taken by the Government on the token of censure cuts made in budget demands by the Assembly during the years 1924, 1925 and 1926. The statement runs: In the budget for 1924-25 there was only one token cut, that of Rs. 100 under the demand for forest. The points brought up in the discussion related to: (a) the delay in the decision about the training of Indian Forest Service probationers at the Forest Research Institute and College, Dehra Dun and (b) the rate of Indianisation in the Indian Forest Service. The training of Indian Forest Service probationers commenced at the Forest College, Dehra Dun from November 1926. As regards Indianisation, out of 19 vacancies filled by direct recruitment during 1925 and 1927, 9 were filled by Indians, 2 by Germans and 7 by Europeans, while of the 7 vacancies which are anticipated in 1927 and 1928 henceforward recruitment of Indians and Europeans will be in proportion of 75 to 25.

In the budget for 1925-26 there were token cuts of Rs. 100 each under the demands for (a) taxes on income; (b) salt and (c) opium. As regards (a) the question of amending devolution rule 15 was discussed at the conference of financial representatives in November last in the light of recommendations of the Taxation Committee. It is now under the consideration of the Government. As regards the cut under (b) the question of making India self-supporting in the matter of salt raised by Mr. Venkatapathiraju in moving the token cut has been under consideration but no final decision has yet been reached. As regards the cut under (c) reference is invited to the press communique dated 12th June 1926 announcing gradual abolition of the export trade in opium in the course of ten years as well as to the resolution of the Finance Department (Central Revenues) dated 17th June regarding the consumption of opium in India. The internal policy of the Government of India in regard to opium has not undergone any modification. The resolution quoted simply reaffirmed the policy previously in existence. Their external policy had been under consideration independently for some time and the decision mentioned was a direct consequence of their international obligations.

On the railway budget, there had been the following token cuts:—(1) One of Rs. 1,000 on a motion by Mr. Joshi in 1926-27, to call attention to the necessity of reducing third class railway fares. The Government have actually effected reductions on many railways. (2) One of Rs. 100 on a motion by Sardar V. N. Mutalik in 1925-26 and one of Rs. 100 in the same year on a motion by Mr. M. K. Acharya and one of Rs. 1,000 by Mr. Joshi in 1925-26 and one of Rs. 100 on a similar motion by Mr. Ghaznafar Ali Khan's amendment, Mr. Gaya Prasad Singh and Mr. Schamnad Sahib Bahadur in 1926-27 to draw attention to Indianisation either of the Railway Board or the railway services. The Government have accepted and so have railway companies the recommendations of the Lee Commission in this respect. (3) One of Rs. 1,000 in 1926-27 on a motion by Mr. M. K. Acharya to draw attention to alleged failure to redress the grievances of railway subordinate employees. The grievances alleged are not admitted and no special action has been taken.

Bills Certified in 1924-26.

On the 15TH FEBRUARY in the Assembly Mr. Graham replying to the question of Diwan Chamanlal regarding the number of Bills certified by the Governor-General during 1924-26, said: These are two, namely, the Indian Finance Act 1924 and the Bengal Criminal Law Amendment Supplementary Act 1925. The Indian Finance Act 1924 was presented to the Parliament on 19th May 1924, two months after certification of the date of presentation. The Bengal Criminal Law Amendment (Supplementary) Act 1925 was not communicated to the Government of India but presentation presumably took place after approximately the same interval from certification as in the case of the Finance Act 1924. Certification took place in the case of the Indian Finance Act on 19th March 1924 and in the case of the Bengal Criminal Law Amendment (Supplementary) Act 1925 on 24th March 1925. As the Governor-General made the direction referred to in proviso to sub-section (2) of section 67-B, in case of both these acts, the assent of His Majesty was not required. The various sections of the Indian Finance Act 1924 became operative on the date appointed in each section. The Bengal Criminal Law Amendment (Supplementary) Act 1925 became operative on the date of the Governor-General's direction under proviso to sub-section (2) of section 67-B of the Government of India Act, namely 30th March 1925.

Mr. Rangaswami Iyengar: Has there been any bill which has been reserved for the assent of His Majesty before becoming law?

Mr. Graham: Princes Protection Act only.

The Legislative Assembly

OPENING DAY—19TH JANUARY 1927.

The Third Legislative Assembly under the reformed constitution met at eleven in the morning on the 19th January in the Council House, New Delhi. It was a fairly full house with over 100 members attending. Mr. Ratnaswami, ex-President of the Madras Legislative Council, was in the chair. The business on this day was confined to only swearing in of members.

After the oath-taking ceremony was over, the Assembly agreed on the motion of Sir Basil Blackett to elect members not exceeding fourteen to the Standing Finance Committee and on a similar motion by Sir Charles Innes to elect members not exceeding eleven to the Standing Finance Committee for railways. Finally, the House agreed to elect eight members for the Public Accounts Committee.

Next day, the 20TH JANUARY, the House re-assembled to elect Mr. Patel to the chair. There was a cheerful atmosphere about the House as all sections were unanimous in favour of Mr. Patel's election. After congratulatory speeches from both the official and non-official benches His Excellency the Viceroy's approval was announced. Mr. Patel then took the chair amidst acclamation from all sides of the House.

Mr. S. C. Mitra's Detention Denounced.

On the 21ST JANUARY the House met in an atmosphere of some excitement when the motion of adjournment of Pandit Motilal to raise the question of Mr. S. C. Mitra, a detainee, was discussed. This was held in order by the President and as no objection was taken, leave was granted and discussion took place immediately after the conclusion of the normal business of the House.

Pandit Motilal Nehru, in moving the adjournment of the House, said the motion did not relate to the larger question of release of political prisoners or the repeal or the amendment of the so-called law under which they were detained, but it related only to the detention of an elected member of the House constituting a very serious encroachment on the privileges of the House and the rights not only of the member but of the constituency which unanimously elected him. In explaining the facts of the case, the Pandit remarked that in arresting and detaining Mr. Mitra under the Ordinance, the executive was guilty of a double wrong, a wrong to the member and a wrong to his constituency. The latter wrong was attempted by the Governor of Bengal to be redressed in a bureaucratic manner by issuing a notification that a particular seat in the Bengal Council had become vacant. The constituency re-elected Mr. Mitra but the Government did not allow him to attend to his duties. In course of time when the general election came, Mr. Mitra stood for the Assembly and he was returned unopposed. He received summons from the Governor-General to attend the

Assembly and hear his inaugural address on the 24th. Thereupon he applied to his custodians to give him the opportunity of accepting the very generous invitation extended to him. But that was refused. So the Viceroy had duly invited Mr. Mitra but there were others who prevented him from coming here. Of course, Pandit Motilal anticipated the Home Member would stand up and show his fist (Sir Alexander Muddiman: Nothing of the kind) and say that Mr. Mitra was detained under the existing law of the land and by competent authority. But Mr. Mitra, argued Pandit Motilal, had not been tried, convicted and sentenced by any court and therefore he has every right to attend to his duties as a member of this House. By preventing Mr. Mitra from coming here, the Government were imposing a disqualification which did not exist under the law. If a similar case had arisen in England, then what would have happened? Pandit Motilal showed by quoting authorities that no member of Parliament could be imprisoned or restrained except for a criminal offence. A member could not be arrested for a period of forty days before or after the meeting of the Parliament and any member who was in custody at the time of election was liberated in virtue of his privilege unless he was undergoing imprisonment for an indictable offence. That was the common law in England and for any breach of privilege conferred on members of Parliament, the persons who were instrumental for the commission of the breach would be answerable. So if what happened in the case of Mr. Mitra had happened in England, the Governor of Bengal would have found himself in a very uncomfortable position at the Bar of the House of Commons. But India was not England and this Assembly was not the Parliament. The Pandit believed that there was no analogy between the House of Commons and the Assembly. But if it had even the pretence of what it was alleged to be, then he maintained that it was the inherent right of every member of a representative institution to be present at its meetings and to represent his constituency. That right was inseparable from the nature of the institution. True, the privileges of the House of Commons had been built up by long conventions.

As regards the privileges of the House there could be either long established conventions or certain privileges sanctioned by statute and it was up to this Assembly to lay the foundation to-day that it was the inherent right of every institution that its members should be protected. In the present instance, the right was fully recognised because the summons of the Governor-General were sent to him. Under section 11 of the Act under which Mr. Mitra was in detention, it was clear that he was not treated as a criminal. That being so it was not a case of criminal character. The Viceroy, in opening the Council House, had read the King's message which expressed the hope that this House would prove to be one in which wisdom and justice might find a dwelling place. Pandit Motilal put it to the Treasury benches and non-official European colleagues whether they would declare to the world the impotence of protecting themselves and the honour of this House. The best judges were the electorates who had already given the verdict. This House should not neglect its primary duty and trample under foot that verdict which was the very foundation of their right to be here.

Sir Alexander MUDDIMAN congratulated Pandit Motilal for the manner in which he had dealt with the case and instead of showing him fight, he would cordially meet his argument as the Pandit got eminently reasonable on points of constitutional law however defective in other matters.

The Pandit had done a great service by raising this question. If there was a privilege, then only the question of breach would arise. The matter was examined by a sub-committee of the Muddiman Committee consisting of Sir T. B. Sapru, Sir Mahomed Shafi, Sir Henry Moncrief-Smith and Mr. Jinnah and they laid down to what extent privileges existed. There was no doubt that the privilege claimed by Pandit Motilal did not exist. He went further and said that although there was no analogy between the Assembly and the House of Commons (Congress benches : Hear, hear), even if such a case had arisen in the House of Commons it would not have caused a breach of the privileges of the Commons as the question of the protection of person and property was of vital importance. He declared emphatically that if this House had the same privileges as the House of Commons, no breach of privileges would arise. As for the constituency of Mr. Mitra, there might have been some force in the argument if it had been the question of detention of a member after election. The constituency of Mr. Mitra was given a chance by the Bengal Government to elect another representative ; but by re-electing him, his constituency sacrificed their interests for the sake of their sentiments.

Motion Carried.

After a few more speeches, the division bell was rung and the adjournment motion censuring the Government was carried by 64 against 46. The announcement was greeted with applause by the non-official benches. The House then adjourned.

Viceroy's Inaugural Address.

The next meeting of the Assembly was held on the 24TH JANUARY when H. E. the Viceroy's inaugural address in opening the Assembly was read. The speech of His Excellency, particularly the political portion of it, was listened to with a rapt attention. In the course of his speech referring to the situation in China His Excellency said :—

"As regards external affairs, there is only one matter to which it is necessary for me to refer. As Hon'ble members are aware, the situation in China has been the subject of grave anxiety. Attacks have recently been made on lives and property in the various treaty ports of the mercantile communities which include many Indians as well as British subjects. Certain settlements have already been evacuated under pressure and the property of the residents extensively plundered. Other and even more important areas are similarly threatened and His Majesty's Government have reluctantly decided that it is their duty to send reinforcements to China to protect the lives of those for whose safety they are responsible. Having regard to the fact that India is the nearest part of the Empire in which forces are available for immediate despatch, the Government of India have agreed to co-operate in this purely defensive action by contributing a contingent including Indian troops.

Abolition of Slavery.

"Public opinion throughout the world has lately witnessed the enlightened action that has been taken to bring to an end the condition of slavery previously existing in Nepal. The Hon'ble members will have welcomed more recent examples of the same humane movement provided by the action of the Khan of Kalat within his territory and by the measures taken only last month by the Government to stamp out slavery in some of the outlying territories situated close to the Burmese frontier. A few months ago, I had the opportunity of visiting another of India's frontiers on the north-west and of seeing for myself evidence of the improved conditions which there prevail,

"I trust that the policy which my Government has been pursuing for the last four years in Waziristan will continue to prove of benefit both to the independent tribes and to the adjacent parts of British India.

Indian Deputation To South Africa

"When I addressed the Indian Legislature on the 17th August last, I stated that the Union Government had agreed to hold a conference at Cape Town with representatives of the Government of India in the hope of reaching a satisfactory settlement on the Indian problem in South Africa. The Delegation appointed by my Government and generally accepted by Indian opinion as representative sailed for South Africa on the 24th November and on arrival, received a most cordial welcome from both the Government and the people of the Union. The Conference was opened by the Prime Minister of the Union on December 17th and closed on January 18th. As Hon. Members have seen from telegrams that have appeared in the press, a provisional agreement has been arrived at between the delegations of the Indian and the Union Governments which will require ratification by the respective Government. Hon. Members will share the satisfaction of my Government that Sir Mahomed Habibullah and his colleagues, again happily assisted by the devoted and unselfish labours of Mr Andrews, should have succeeded in reaching an understanding which as we may hope, will lead to a settlement of this long-standing problem. Those who recall the difficulty that this question presented a few months ago will feel that the new aspect which it has assumed reflects high credit on those who have represented the two countries in these discussions. Our delegation have already left South Africa and are due to arrive in Delhi on February 6th. Pending their return and the receipt of their report, I am not in a position to make any announcement regarding the provisional settlement that has been reached. It is intended to publish the result of the work of the Conference simultaneously in both countries and in regard to the date of such publication, we are bound to consult the wishes of the Union Government. My Government will not fail to give the Chamber of the Indian Legislature an opportunity of discussing the matter at the earliest possible opportunity.

The Royal Indian Marine

"I now turn to the announcement made by my predecessor on the 9th February 1926 in the Council of State conveying the decision of His Majesty's Government to reconstitute the Royal Indian Marine as a combatant force, thus enabling India to enter upon the first stage of her naval development and ultimately to undertake her own naval defence. Lord Reading pointed out that much constructive work had to be done before the Royal Indian Navy could be inaugurated. I am glad to be able to say that considerable progress has already been recorded. The Bombay dockyard has been busily engaged in the equipment of the depot ship and only one sloop remain to be acquired in order to complete the initial strength in ships. Details of recruitment, organisation and finance have been worked out and the most important of the proposals of my Government under these heads are already in the hands of the Secretary of State. The necessary legislation in Parliament will be carried through, I hope, early this year. My Government will then be in a position to introduce legislation to provide for the discipline of the new force and when that legislation is passed, the Royal Indian Navy will come into existence.

Sir S. Hoare's Arrival

"A recent event of outstanding interest has been the arrival in India of the Secretary of State for Air in the first of the great air liners sent out to this country by the Imperial Airways Company. In so far as India is concerned, this development of aviation marks the introduction into the country of a new form of civil transport. India is a country of vast distances, but aviation annihilates distance. As it has hitherto been reckoned, the increased speed of air transport, coupled with the facilities which it offers for surmounting geographical obstacles, will be a potent factor in shortening the communication of India with other countries and also in linking up her own wide-spread provinces, thus drawing them more closely together as members of a single nation.

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Business Before The House

"As the House knows, there are several financial and commercial matter with which we are at present concerned. After a series of balanced budgets, the Government of India may justly claim to have reached a strong financial position with their credit firmly established both within and outside India. While securing this result for which India owes a real debt of gratitude to the Hon. the Finance Member, Sir Basil Blackett, the Government have been able to abolish the cotton excise duty, to reduce the salt tax and to extinguish a considerable proportion of the provincial contributions. During the present session in addition to the annual Finance Bill, legislative measures will be laid before you to give effect to the principal recommendations of the Currency Commission. A Bill will also be placed before you based on the recommendations of the Tariff Board as

regards protection to the steel industry. The declared object of our protective policy is that ultimately the protected industries should be able to stand alone and face world competition unaided and it is by this criterion that the success or failure of the policy will be judged. The remarkable progress made at Jamshedpur since 1904 affords reasonable grounds for the hope that before many years have passed, steel will be made as cheaply in India as in any country in the world and that the need for protection will disappear. But it is necessary, if capital is to be attracted to the industry, that manufacturers should be assured for a reasonably long period of the continuance of the basic duties applicable to imports from all countries. The Board, however, are, I think, right in forecasting that after seven years the time will have come to review the position afresh and ascertain in the light of the circumstances then existing whether or not the industry deserves protection. The Textile Enquiry Committee is, I understand, about to submit its report and my Government will seek to arrive at a prompt decision on the issues involved.

The Duty of the Governor-General

"I turn now to topics of a more general character which must necessarily occupy a prominent place in all our thoughts. This Assembly is of particular importance inasmuch as within its life-time must be undertaken the statutory enquiry prescribed by the Government of India Act. This fact is my excuse, if such be needed, for speaking frankly on some aspects of the general situation. But, before doing so, I desire to make my own position and that of any Governor-General plain. As long as the final control of Indian policy is constitutionally vested in the Secretary of State on behalf of Parliament, it is the duty of the Governor-General, while he holds his office, to guide his conduct in conformity with the general policy approved by the Imperial Government. Just as in Parliament, however, Indian affairs are with foreign policy rightly held to be outside ordinary party controversy, so a Governor-General as such has no concern with British party politics. It is his duty with his Government to seek faithfully to represent to the Imperial Government what he conceives to be Indian's interests and he must count on the help of the legislature to enable him to do this fairly. On the other hand, it is possible that he may be able to help India by telling those who represent her in her Councils from his own knowledge of the manner in which and the angle from which the judgment of Parliament is likely to be formed. I do not ignore the fact that there is a custom of opinion in India which rejects the right of Parliament to be the arbiter of the fashion or the time of India's political development. I can understand that opinion. I can acknowledge the sincerity of some of those who hold it; but I can derive no means of reconciling such a position with the undoubted facts of the situation. But there is another section of opinion which, while hesitating to prefer so fundamental an objection to any right of Parliament to be the judge of these matters, would yet say in effect, that it was indefensible for Parliament to exercise its judgment in any case but that of granting to India forthwith a wide, if not a complete, extension of responsible power. Distinction between these two lines of criticism is narrow, for Parliament would be no real judge if its title were held to depend for sanction upon the judgment that it delivers and it is scarcely possible to impugn its right to deliver a free verdict without challenging its title to sit in judgment on the case. I have not infrequently been told that the problem is psychological and that many, if not mostly, of our present difficulties in regard to the pace and manner of advances would disappear if it was once possible to convince India that the British people were sincere in their professed intention of giving India responsible Government. It is difficult to know in what way one may hope to carry conviction to quarters which remain unconvinced. I have already stated my belief that whether what the British people has sought and is seeking to do in India will be approved or condemned by history, their own inherited qualities left them no alternative but to open to India the path in which they had themselves been pioneers and along which they have led and are leading the peoples wherever the British flag is flown. Moreover, in the success of the attempt to lead a friendly India towards self-government, the self-interest and the credit of Great Britain before the world are alike engaged and forbids her to contemplate with equanimity the failure to achieve a purpose which has been so publicly proclaimed. Every British party in a succession of Parliaments elected on the widest franchise and, therefore, representing, in the widest possible manner, the British people, has pledged itself to the terms of the 1927 declaration. They have implemented those terms by legislation and thus given practical proof of sincerity by introducing wide far-reaching changes into the structure of the Indian Government. From those undertakings, no British party can or will withdraw and although the British race may lack many excellent qualities, they cannot afford to remain unmoved by charges of bad faith which their whole history denies.

Detention of Prisoners without Trial

"But it is said the alleged sincerity of Parliament receives practical confirmation, on the one hand, by arbitrary executive acts such as the detention of certain men without trial in Bengal, on the other, by the reluctance of Parliament to give a firm time-table for the completion of its loudly professed purpose of making India herself responsible within the Empire for her own Govt. The first question concerns the exercise of that executive responsibility which must rest upon any administration, however constituted, and though I am well aware of its political reactions, it is a question which must be dealt with on its merits and has no direct relation with the general question of constitutional advance. For constitutional forms may vary widely, but the maintenance of law and order is the inalienable duty of all those on whom falls the task of Government and, indeed, the action of which complaint is made is solely due to the fact that the Government has had good reason to believe that those now detained have rejected the way of constitutional agitation for that of violent conspiracy and that to put a term to their dangerous activities was essential. I share with all honourable members the desire to see an end to the necessity for the continuance of these measures, but the guiding principle in this matter must and can only be the interest of the public safety. Nor is the matter one that rests wholly or mainly in the hands of the Government. Before release can be sanctioned, the Government must be satisfied either that the conspiracy has been so far suppressed that those set at liberty, even if they so desired, would be unable to revive it in a dangerous form or if the organisation for conspiracy still exists, that those released would no longer wish to employ their freedom to resume their dangerous activities. The Government have always made it clear and I repeat it to-day that their sole object in keeping any man under restraint is to prevent terrorist outrages and that they are prepared to release them the moment they are satisfied that their release would not defeat this object.

Parliament will not be Coerced.

"The other main ground for challenging the sincerity of Parliament is based, as I have said, on the general method of approach that Parliament has adopted towards the problem of Indian constitutional development and, as regards this, I wish to speak more fully. Those who are anxious to see constitutional advance must either coerce Parliament or convince it. I cannot emphasise too strongly that in this matter they are not likely to succeed in coercing Parliament and that Parliament will resent any attempt to do so under whatever shape the attempt is made. Moreover, it must inevitably be gravely disappointed by language which appears to be inspired by hostility not only to legitimate British interests but also to the British connection. Nor is this feeling on the part of Parliament the mere selfish desire to retain power that is sometimes represented to be. Parliament believes, and in my judgment rightly, that as it has been placed by history in a position to guide and assist India, it would be definitely defaulting on these obligations if it reduced its charge before it was satisfied that it could be safely entrusted to other hands. Parliament therefore, will be rather inclined to examine the practical success or otherwise that has attended the attempt it has made to solve the problem. It will be quite ready to believe that there are features in the present line of arrangements which can be improved; and it will be ready to improve them. What it will not understand is the line of argument which says that, because the present foundations for future responsible Government are alleged to be at fault, this is necessarily to be remedied by immediately asking those foundations to bear the entire weight of the whole edifice we desire to build. When Parliament invites India to co-operate in the working of the reformed Constitution, it does not invite any Indian party, as it was authoritatively stated the other day, to lay aside for the time being its demand for Swaraj. It does not desire that any party or individual should forego the freest and fullest right of criticism and constitutional opposition to any action that the Government may take. But it does invite Indian political parties to shew whether or not the ultimate structure which Parliament is seeking to erect is one suitable to Indian conditions and Indian needs. If it sees any large section of Indian opinion, however vocal in its desire to further the cause of Indian self-Government, steadily adhering to the determination to do nothing but obstruct the machinery with which India has been entrusted, Parliament is more likely to see in this evidence that the application of western constitutional practice to India may be mistaken than proof of the wisdom of immediate surrender to India of all its own responsibility. It is, therefore, a matter of satisfaction that a considerable part of the political thought of India has not allowed itself to be dissuaded by criticism or opposition from endeavouring to work the new constitution with a constructive purpose. Those who so guide their action are, in my

judgment, proving themselves the true friends of Indian constitutional development. Parliament is likely to judge these matters as a plain question of practical efficiency. It will be less interested in the exact legal and constitutional rights granted by the reforms to the Indian legislatures than in the extent to which these legislatures have realized their responsibilities and duties. It will be quite willing to recognize and make allowances for the limitations placed upon legislatures by the existing constitution. But it will be genuinely puzzled and disappointed if it finds that a good part of ten years has been wasted in a refusal to play the game because some of the players did not like the rules. Propaganda in favour of altering the rules in the early stages of the game will have little effect on the mind of Parliament. But, on the other hand, it will certainly be influenced if it finds the Indian legislatures exercising their responsibilities, albeit limited, in a spirit of service to India and tacitly assuming always that their real responsibility is greater than that which is expressed in any statute, for Parliament has spent hundred of years in perfecting its own constitution, and knows very well that it has only grown into what it is to-day by the steady use and extension of the power, at first limited but by custom and precedent constantly expanding. There was a time in Canada when the religious differences between Protestants and Roman Catholics were supposed to constitute an absolute bar to full self-Government; but, after a few years owing to the good sense of the Canadian legislature, the very real powers of the British Parliament to intervene were silently allowed first to fall into desuetude and then to disappear. Parliament knows too that it is by this means that everyone of the Dominions has obtained full responsible self-Government, finally leading, as we have seen at the last Imperial Conference, to a wide revision of the letter of constitutional relations previously prevailing between the several Governments of the Empire.

An Appeal for Co-operation.

"That then is the position if we concede, as I ask we may, to British and Indian peoples' sincerity of purpose. We are in agreement on the fundamental matter of the end we desire to reach. There may be and is disagreement over the ways and means of reaching it: but it is surely a strange distortion of perspective, if we allow our conduct to be unduly influenced by differences on issues which are after all only incidental to the main issue on which we are agreed. Here, as in other human affairs evolutionary progress can be realized in two different ways between which we have constantly to make our choice. Either we can search out points of agreement in the final purpose which inspire thought and action, or rejecting these peaceful counsels, we can follow the way of conflict where agreement is forgotten, where disagreements are exaggerated and where the fair flowers of mutual understanding and trust are overgrown by tangled weeds of suspicion and resentment. In many directions and throughout many centuries, the world has made trial of the last and, in sore disappointment at the results, is coming painfully to learn that the way of friendship may be at once the more noble and the more powerful instrument of progress.

"I have thought it right to say so much, because I am deeply impressed with the gravity of the situation and with the necessity that lies upon us all of facing facts. I am conscious that much that I have said may evoke criticism and excite opposition, but I hope that I may have succeeded in saying it in words that will not wound the legitimate susceptibilities of any. If in this respect, I have anywhere gone astray and employed language which has falsified my hopes, I would here express my genuine regret. But, believing as I do that what I have said is true, I should think myself to have been lacking in my duty if I had been deterred from telling this Assembly frankly what I conceive to be the truth from the fear that it might sound unpleasant upon their ears. It were better to be blamed for saying unpleasant things if they are true in time than to be condemned for saying them too late. I think it is essential that India should clearly appreciate some of the factors which will be powerful to influence the mind of Parliament. I have sought, so far as my own experience and knowledge on these matters is of any worth, to place India in possession of them and I earnestly hope that, in the time which will elapse before the statutory enquiry, events may follow such a course as may convince both India and Great Britain that it is possible for them harmoniously to work together for the consummation of their common hopes."

Next day, the 25TH JANUARY, on the House re-assembling, Mr. Srinivasa Iyengar moved an adjournment motion to raise the question of the Government of India sending troops to China. This was at first ruled by the President as in order, but before adjourning the sitting for lunch, the President read the Governor-General's message disallowing the

the ground that it could not be moved without detriment to public interests. The President added that as a result of disallowance by the Governor-General no discussion on the motion would take place.

Introduction of Official Bills.

Sir Basil Blackett introduced two Bills, one amending the Negotiable Instruments Act to provide that negotiable instruments including cheques and Bills of exchange which are expressed on the face of them as drawn to bearer shall not in any circumstances lose their character as bearer instruments on account of their having been endorsed; the second amending the Securities Act to limit the liability of Government in respect of discharged loans and prevent recourse to the Indian Succession Act 1925 to evade the safeguards attached by the Securities Act to the issue of duplicate notes.

The Home Member next introduced three Bills, one amending section 115 of the Civil Procedure Code giving effect to the recommendations of the Civil Justice Committee's report on the subject with some modifications and the second amending the Limitation Act on the lines of the Bill which was passed by the Council of State and was before the 1st session of the last Assembly. The Bill as now introduced narrows certain objections raised in the last Assembly. The third Bill is for amending the Registration Act removing doubts created by the Privy Council with reference to contracts for sale of land where earnest money is paid.

Sir Basil Blackett then introduced his three Currency Bills.

Sir Charles Innes then moved the two Steel Bills which were allowed to be introduced.

Discussion on Reserve Bank Bill.

Sir Basil BLACKETT was cheered as he rose to move the circulation of the Bill to establish a gold currency and to constitute a reserve bank. This Bill he said gave effect to a comprehensive scheme of currency proposed by the Hilton-Young Commission and it was right that it should be placed before the public for criticism. The preparation of the Bill was difficult and he paid a tribute to the Finance Department, Mr. Darling, Controller of Currency and Mr. Wright of the Legislative Department.

The Finance Member also announced that after consultation with various quarters of the House, the Government had decided that effective discussion of the Exchange Ratio Bill should not take place till the budget was presented. He hoped that the currency controversy would be over and would not cloud their vision when the Bill he was proposing to circulate came up for discussion. The Bill was comprehensive and put proposals for a gold bullion standard and a reserve bank together as the two were mutually inter-dependent.

Sir Basil Blackett then explained the currency proposals. He emphasized that the silver rupee would now become the unit of account and gold the standard of value. India to-day was taking a material step forward. India was going further and adopting a gold bullion standard which measured the inter-convertibility of a legal tender and gold. In fact, India would stand exactly where the United Kingdom stood under its Gold Standard Act of 1925 subject to special arrangements in regard to the rates at which gold was to be given. He assured the House that India would be joining the ranks of the countries with an absolute gold standard. Those who wanted a gold currency must also support the Bill as it provided an indispensable stage for moving to that goal. It was impossible to tie their successors by fixing the

date on which gold currency would be introduced. Moreover, the fixing of the date would only retard the date rather than hasten it. He anticipated that in 10 to 15 years gold currency might be adopted. The very first difficulty now was the existence of the excess of a large coined silver. For a gold currency they would require sufficient gold assets; but to-day the potential gold assets in reserve were not enough. No less than 50 crores were locked up in silver rupees. In the paper Currency Reserve, 100 crores of silver rupees were in reserve. He held that their reserve was sufficient to maintain stability of exchange at the present *de facto* rate if they were willing to use their reserve. For the purpose of the gold bullion standard, they must strengthen the gold position of their reserve. They could not ignore the existence of a large surplus of rupees either in their reserve or in hoards, for when rupees came out of hoards they went into reserve leaving effective rupees in circulation very much the same.

As for the new notes, he emphasised that they must get rid of the obligation to get silver rupees which obligation caused the breakdown of the pre-war gold currency system during the war. Notes in India would, as in England, mean the equivalent of the face value with the rupees ensured by automatic provisions of the currency law and the working of the currency machinery and of the reserve bank.

Sir Basil Blackett finally touched on the broader aspect of the issue. He opined that not only his proposal would ensure a higher standard of life but also lead to the consolidation of national unity. He quoted the instance of the United States of America whose unit was efficiently brought into existence by the genius of Sir Alexander Hamilton devoting attention to the currency and banking system which led to the constitution of a Federal Reserve Bank. In fact I regard the Reserve Bank Bill as liberalism in finance that has ever been offered to India and it is a fitting measure to take the first step in this new Council House. It is in accordance with the spirit of the declaration of 1917 and will add enormously to the importance and influence of India's position in the financial councils of the world when the Reserve Bank of India takes its place side by side with other sister institutions of the world." Sir Basil Blackett, while admitting the difficulties and trials of floating a new institution, emphasised that there was no other option, for the Imperial Bank must be kept to continue the great commercial and banking services it was rendering to the country. He could not too strongly lay stress on the potential value of the two strong institutions functioning side by side, one by continuing with greater freedom to expand its business facilities and the other taking over all Government business in matters essentially of a banking character. The Secretary of State had agreed to promote parliamentary legislation to transfer his powers in London to the Reserve Bank in India. He anticipated that banks in India would come to treat the Reserve Bank as their friend and counsellor which would, by discount facilities, give the banks greater liquidity in respect of their assets than was available at present. In their proposals compensating the Imperial Bank, the Government had succeeded in doing even-handed justice all round, safeguarding the interests of the taxpayer ensuring that it did not damage other banks and at the same time discharging their responsibility to the Imperial Bank which they brought into existence and the extension of whose banking facilities was of deep

concern to the Government. He concluded: "This is the greatest measure of financial liberalism and as such I recommend it to the public."

Sir Purnbottamdas THAKURDAS declared that Sir Basil Blackett had taken the opportunity of traversing even the ground not covered by the Bill. The speaker wanted a categorical answer to the question whether the Government accepted the unanimous recommendation of the Currency Commission that when India had an adequate gold reserve, the Assembly could, on demand, have a gold currency. The speaker had his apprehension in the matter of the introduction of a pure and unalloyed reserve bank in India of the type in Western countries. This was building from the top. Canada which had four thousand banking branches was still thinking of a Central Bank. The Finance Member had not told them of the number of banking branches in India. The Imperial Bank alone had branches running into three figures; it had 164 branches. The question really was what was to be done to develop banking in India and the starting of a Reserve bank would hardly meet the question. There were in India only 26 respectable banks of standing, out of which 21 were non-Indian banks and only five Indian banks. His support of a Reserve Bank was due to his anxiety to do whatever he could to take out the present control of Indian currency from the hands of Whitehall and transfer it to the Government of India, however imperfect and responsive at times the latter was (Congress benches: "unresponsive at all times"). He would rather wish that the Reserve Bank need not necessarily be different from the Imperial Bank of India. He did not want a pure and unalloyed Reserve Bank which the U. S. A. wanted with its 35,000 banking branches and which Canada did not have even with 4,000 branches and which might not, therefore, be at all suitable to India.

Finally, Sir Purnbottamdas strongly protested against the Government's decision to defer consideration of the Exchange Ratio Bill till after the Budget. This strengthened the suspicion that the Government did not want the Bill to be discussed on its merits and that the Assembly would be deprived of discussing the Bill impartially. The Assembly should have been given an opportunity of discussing the Bill at the earliest opportunity. The Finance Member would now present the House again with a *fait accompli* by framing the budget on 1s. 6d. and declaring that it could not be changed to 1s. 4d. basis as the Finance Bill must be passed by the 31st March. Sir Purnbottamdas warned that the longer the delay in the imperial consideration of the question the more would the Finance Member handicap those holding contrary views.

Mr. G. D. BIRLA thought the Bill was calculated neither to give a gold standard nor a gold currency to India. In order to have a gold currency India must have a gold standard. The difference between the selling and buying rate was eight annas in India, whereas in England it was half anna per tola. That itself would show that it was not possible to establish a gold standard as proposed in the Bill. Under the scheme proposed in the Bill India could not for even 40 years have a gold currency. As regards the postponement of the consideration of the ratio he welcomed it, if for no other reason than at least to see that an expert like Sir Basil Blackett did not commit mistakes which were committed by Sir Malcolm Hailey. Mr. Birla said there was no guarantee that the Reserve Bank would be dominated by particular groups of financiers. When the time came

they could consider how best to provide for proper representation and control of banking. He also urged that more banks should be entered in the schedule attached to the Bill.

Mr. Shanmukam CHETTI, Chief Whip of the Congress party, said his party had not been consulted by the Finance Member who had declared that the majority view in the House was that discussion on the ratio question might be postponed till after the budget. Regarding currency he emphasised that there must be a statutory obligation on the Government or the Reserve Bank to build up its gold resource within a certain fixed time in order to enable the introduction of a gold currency soon after that. Without such a provision, there would be no currency at all. He could not, therefore, understand how such a provision would retard the realisation of the object they had in view, namely the eventual establishment of a gold currency. Proceeding, Mr. Chettiar asked whether it was not a fact that during the last one year there had been a steady fall in the gold prices in the world. (Sir Basil denied it and quoted figures). Mr. Chetti quoted some other statistics and maintained his point of view. It was well-known that the Finance Member, ever since he came to India, had been singing that internal prices had been maintained and went on deflating the currency in order to keep up his pet theory and thereby dislocating prices. Concluding, Mr. Chetti emphasised the necessity of providing ample safeguards in regard to the position and location of the Reserve which he affirmed should not be in foreign countries; for that would only be exposing their reserve to serious risks in times of national crisis and reducing the already slender resources of India.

After several members had spoken the motion for circulation of the Bill was agreed to unanimously and the House then adjourned.

Steel Protection Bill.

The Legislative Assembly re-assembled on the 26TH JANUARY with a brief agenda, chief among them being the discussion of the Steel Bill on the Commerce Member's motion for its reference to a select committee. This raised a lively debate on the principles of the Bill with particular reference to the proposals for imperial preference advocated by the Tariff Board and embodied in the Bill.

Sir Charles INNES moved reference of the Steel Bill to a Select Committee consisting of Sir Bhasendranath Mitra, Mr. M. B. Jayakar, Lala Lajpat Rai, Mr. M. A. Jinnah, Maulvi Mahomed Yakub, Mr. G. Sarvethama Rao, Sir Walter Wilson, Mr. J. M. Ratnaswami, Mr. N. M. Joshi and Sir Charles Innes.

At the outset, the Commerce Member reviewed the history of protection granted to the industry during the last three years and said although there were certain disadvantages of the industry being in the hands of a single firm, there was this advantage, namely that the results achieved compared favourably with the price paid. The protection granted to the industry was not ungenerous but at the same time there was no small burden on the consumers. He did not wish to imply that the burden on the consumer had been unduly heavy and this fact was proved by the ease with which the burden was borne and as further testified by the increase in the consumption of steel. The increase represented thirty per cent during the last three years. Sir Charles Innes, after quoting figures to prove this increase, emphasised that the policy of protection was not unduly oppressive to the consumer.

But there was the other side of the case, that was the Steel Company. Are we getting the value for their money and was our policy becoming effective? Sir Charles Innes contended that the answer to these questions lay in the Tariff Board's report and the bill now before the House. The protection proposed was less than that which existed at present and that in itself was a very satisfactory feature. In this connection, it would be

portant to learn that the English works were undergoing a process of : and there were only two of the firms which made profits in England. Compared to this, the position of the Tatas in India was bright. Indeed, after the last three years, the Tatas had emerged a stronger, better and healthier company. Added to this, the Tatas were about to try the new and difficult duplex process which was an American invention and had not yet been introduced even in the United Kingdom. He could not say anything definitely regarding the finances of the Tata Company. It was a delicate matter, but he was not letting out any secret in mentioning that the Company was in very much stronger position to-day when compared to what it was in October 1934 and as a result of the Tariff Board's report, its position should be stronger still. On its technical side, great resources had been made, with the result that the works' cost had been reduced to somewhat near 100 rupees per ton and here the Commerce Member congratulated Mr. Alexander, the General Manager at Jamshedpur Works for the progress made in steel manufacture and said that the one thing which animated Mr. Alexander was his desire to make the steel company independent of extraneous help from Government and capable of meeting competition entirely unaided.

Based on all these figures and factors, the Tariff Board had given its considered opinion that their policy of discriminating protection had been justified and successful. The Assembly was not now discussing the question of principle or policy. This was approved in passing the Act of 1934 when they guaranteed protective rates only for three years. He agreed that the Assembly was quite entitled to go back upon the policy of the predecessor. Protection might be a good or bad thing, but the Assembly would agree that once having embarked on a policy of protection, it would do no good to display vacillation and it was better to let the policy of protection to continue as long as it was felt necessary in the interests of Indian produce.

Proceeding, Sir Charles Innes complimented the Tariff Board on its extremely able, businesslike report. It was an impartial report based on an impartial study of facts. The Board had made a careful estimate of the fair selling price and equally careful estimate of the prices at which steel was likely to sell in future. He was told that estimates of this kind were not of value, but he contented that they were an essential feature of the policy of protection. When the Steel Act was being discussed in the Assembly in 1934, nothing impressed him more than the fact that members insisted that whatever measure of protection was given must be with due regard to the well-being of the community as a whole and, indeed, it was due to this insistence that the preamble of the Bill was altered to that effect. Whatever was done must now be done after carefully adjusting the interests of the consumer and the producer. The House must not in any way be prepared to countenance on the part of any industry the claim that because protection was once given it should be given in the same form and to the same extent. Conditions varied according to the circumstances of the steel industry. The object of protection being that it must help the industry eventually to maintain itself without the help of protection, it was necessary to find to what period and in what form protection must be granted. The Tariff Board had recommended decrease in protection but recommended continuance of it for seven years. These were based on the Company's scheme of improvement and the consequent increase in output as also the future course of selling prices of foreign steel. The output of the Tatas was expected at the end of seven years to be 600,000 tons. Hence it was advisable to extend protection to seven years when it was hoped that the company would be able to dispense with protection and stand unaided. In arriving at this recommendations the Tariff Board had to take into account several factors including the economies in overhead charges and the increase in output as a result of extensions and improvement. Of course, they should not expect the consumer to pay for miscalculations of the Steel Company, but the Tariff Board's report would show that overhead charges would be reduced from Rs. 58 per ton to Rs. 39 per ton.

Proceeding the Commerce Member referred to import figures and pointed out that there were difficulties in estimating the average price at which steel was likely to be imported for over a period of seven years. The situation was complicated by certain factors like the imports from both the United Kingdom and the continent, the different quality and the gap in prices. The Tariff Board considered the prices at which British steel was likely to come. As regarded the former, there was no difficulty because the prices were stabilised at the prices of the first four months of 1936 whereas as regarded continental steel there were so many factors which were likely to come into play for instability. Therefore, the Tariff Board had observed that it would be unsafe to frame a scale of rates on the assumption that any level of prices which they might now adopt would continue without a substantial change throughout the period of protection.

Proceeding, the Commerce Member explained in great detail the system of differential rates suggested and the need for such a differentiation. While referring to galvanised sheets Sir Charles congratulated Bengal and particularly Mr. Neogy for having been able to see the duty on spelter taken off and the duty on galvanised sheets reduced from Rs. 45 to Rs. 30. British steel was more reliable in quality and accuracy of rolling strength. It was used when a high factor of safety was required by engineering firms for fabrication, but continental steel and inferior steel, by the very nature of its prices, tended to displace British steel. Hence the problem. But the Tariff Board, after the examination of all possible factors had recommended the system of differential duties. It was difficult to discriminate between standard steel and non-standard steel and the Board had recommended a basic and an additional duty. British steel was particularly synonymous with standard steel and continental steel with non-standard steel. On account of India's position in the British Empire, they could discriminate in favour of British steel without infringing the most favoured nation's agreements. If on the other hand, the price of continental steel changed, the Government was given the right to alter according to the needs of protection. The problem was looked at by the Tariff Board from an economic point of view and from no other consideration. The only objection to the proposal was that it involved provision of machinery to ensure that consignments of British steel were covered by certificates that steel was actually made in the United Kingdom but it was not impossible to frame simple and satisfactory rules. The Government accepted the recommendations of the Tariff Board as a whole.

Concluding, the Commerce Member emphasised that he had no desire to rush the Bill, but the House should by agreeing to refer the motion to a Select Committee, accept the principle of further protection. The Government was quite prepared to discuss the details mainly in the Select Committee and he felt sure that the Assembly had seen that the scheme proposed by the Board was the best in the circumstances.

Mr. B. DAS said that the Tariff Board had, by proposing imperial preference, tried to kill the very goose (Assembly) that laid the golden egg (Tariff Board). He declared: "I will rather see the industry go down and down than agree to the humiliation of imperial preference. Not until we become equal members in this Empire will we agree to this policy in any form." He blamed exchange manipulation for the uncertainties of import prices of steel. He blamed the Railway Board for persisting in buying their steel requirements abroad.

Pandit MALAVIYA gratefully acknowledged Sir Charles Innes's share in giving protection. The Steel Bill introduced a very important principle of imperial preference. "Is the House prepared to accept this principle?" It was not suggested that continental steel was too bad. He accepted the plea that British steel was stronger; but why force the consumer to buy English steel instead of cheaper continental steel? The House would not accept the policy of preference and the Select Committee should be instructed to keep this in view in altering the Bill. The system of uniform duties supplemented by bounties was not entirely condemnable. The Select Committee should consider an alternative method of protection. It seemed to him that probably the postponement of consideration might be useful.

Pandit MOTILAL asked whether by voting for the motion they would be accepting the principle merely of continuance of protection or also of imperial preference and whether it would be open to the Select Committee to delete the clause proposing preference for British goods.

Sir Charles Innes replied that the House would be accepting only the principle of need for further protection. (Hear, hear.)

Sir Purshottamdas THAKURDAS said his only purpose to-day was as Director of the Tata Company to congratulate the Government for the scheme of continuing protection. The scheme started three years ago had not been a failure that it was apprehended it might be. He paid his tribute to Sir Charles Innes and said seven years hence, if need for protection did no exist and Sir Charles Innes was in the visitors' gallery of the House he would be the proudest man for having given India a basic industry. The Tariff Board had produced a splendid report which undertook scientific study and looked at the problem from a purely economic point of view. "I say, let us preserve this political aspect of questions to the Government of India and to this House and let not committees and boards give political bias to their studies". He was sure the Select Committee would meet the case put forward by Pandit Malaviya and others. He acknowledged that Sir Charles Innes did things in time in smart contrast to Sir Basil. But the Government was putting a trap before the House by not bringing measures in

the natural sequence. The Ratio Bill must come first, for if the ratio were altered to one and four, the Steel Bill would have again to be altered.

Mr. JOSHI objected to the protection of industries by raising a tariff wall; for it invariably threw the burden on the people who were not able to bear it. When import duties were imposed, it was difficult to discriminate as to which class could or could not bear it. Moreover, the protection of an industry by bounty was not helpful to the growth of that industry. All the basic and key industries should be controlled by the nation and if protection was necessary for steel, he would have it, in the form of bounty in the case of steel which was the basic industry. They should adopt a policy of seeing that the whole nation must control it. He knew that as at present constituted the Assembly would not support this view of his. (Hear, hear). He, therefore, suggested that the first condition of protection must be that it must be not only in the interests of those who put money in the industry, but also in the interests of human labour employed in it. It was necessary that there should be protection of human labour invested in the industry. The second condition he would impose was that in the case of protected industries, the limit of dividends to be given to the shareholders must be fixed. Thirdly, he suggested that the industry for the protection of which the nation was sacrificing should not be transferred to foreigners. Lastly, he urged rapid Indianisation of the industry.

Mr. JAYAKAR congratulated the Government on the wonderful despatch with which they had embodied the recommendations of the Board in this Bill and hoped that the Government would be equally prompt in the case of other important measures as well, as some uncharitable critics, more especially in Bombay, had said that the Government of India were in the habit of placing the Assembly on the horn of a dilemma. It had been said in regard to the currency question that there were two alternatives, either the 1s. 6d. ratio or a deficit budget. There were also uncharitable critics in Bombay who said that the Government were presenting this Bill in which they were asked to choose between supporting the key industry or accept the alternative of giving preference to British articles. Speaking as a politician, he emphasised that he would be the first person to give preference to British made articles; but he complained that in this Bill they were asked to give a very small price for a big concession of imperial preference introduced through the backdoor. Great Britain should pay an adequate price if it wanted this concession. He maintained that the danger of allowing continental goods into India had been exaggerated and that the Tariff Board had merely put in a case of special pleading in saying that there was danger to public safety in using continental steel for bridges etc. He wanted to know whether there was any embargo in England placed on the import of continental steel. He further wanted to know what guarantee there was in case British steel deteriorated in quality and if continental steel was sent to India through England.

Sir Charles INNES, in winding up the debate, expressed satisfaction that there was general support to the principle of the Bill. As for Mr. Jayakar's pertinent question, he (Sir Charles) had answers; but it was better to discuss them in the Select Committee rather than on the floor of this House. As far as the Government were concerned, the case was so strong that they would be only too willing to have it probed and explored. Mr. Jayakar had said there was imperial preference. Sir Charles Innes emphasised there was none. The facts concerning the steel problem were examined by a Board consisting of two eminent Indians and they had recommended that on purely economic grounds there should be differential rates and because the Government had accepted their report it should not be assumed that there was the introduction of imperial preference by the backdoor.

The motion for a Select Committee to which were also added the names of Mr. Lamp and Mr. G. D. Birla was carried without a division and the Committee was asked to submit its report by the 8th February. The House then adjourned.

C. P. C. Amendment Bill.

The next two days viz. the 27th and 31st January were the days for official business in the Assembly. On the 27th, Sir Alexander Muddiman, in introducing the Bill further to amend the Code of Civil Procedure 1908, said that it was to give effect to the recommendations made in their report by the Civil Justice Committee for the amendment of part two and order 31 of the first schedule to the Code of Civil Procedure 1908. The remaining recommendations of the Committee for the amendment

of that order are, it was pointed out, under separate consideration. Clause 18 (2) provides that when a judgment-debtor appeals against an order under that section where decree is for the payment of money only, he must give security for the decretal amount. The Committee's proposals for the restriction of first appeal from the orders under that section are being separately provided for as these cannot suitably be effected by an amendment of the Code. Clause ten extends but not with retrospective effect the scope of Section 66 to defendant opponent or objector who is not in possession of property purchased. Clause 14, section 145 is revised so as to give the Court power to realise property or interest comprised in security by execution in the suit or proceeding itself without a fresh suit. Power is, however, reserved to relegate creditor to a fresh suit as a precaution to meet cases of special complication. In clauses 16 and 18 (1) pleaders are required to sign a decree when they are satisfied that it is in conformity with a judgment and an appeal is based on the ground that a decree has been improperly drawn up is barred except by special leave. Unless an objection has been taken at proper time in this manner in the court passing a decree in clause 17, the new rule (a) prohibits the entertainment by the executing court of a plea advanced by a judgment-debtor that decree-holder had agreed that the decree should not be executed.

Income-Tax Amendment Bill.

Sir Basil Blackett then moved formally for reference to a Select Committee the Bill to amend the Income-tax Act 1922 which was introduced on the 25th Jan. After explaining the statement of objects and reasons, the Finance Member, alluding to Sir Victor Sassoon's motion for circulating the Bill to elicit public opinion, said although on almost every clause of the Bill the Board of Revenue had at one time or another discussed the proposals with the Chambers of the Commerce, yet in view of the fact that the Bill as a whole had not been circulated, he was prepared to agree to re-circulation. The House agreed to the circulation of the bill and then adjourned till

Limitation Act Amending Bill.

The 31ST JANUARY when Sir Alexander Muddiman introduced the Bill amending the Limitation Act of 1908. In doing so he said :—The Civil Justice Committee recommended that section 48 of the Code of Civil Procedure 1908 and article 182 of the first schedule to the Indian Limitation Act 1908 be amended so as to reduce the limit of time for execution in the case of money decrees from 12 to 6 years and to raise the period of limitation from 3 to 6 but to permit a decree-holder even after the expiry of six years to apply for execution if he can show that the judgment-debtor has come into some property or that he has recently discovered that the judgment debtor has property. If, however, it is decided to retain article 182 in its present form, the Committee recommend that it should be amended so as to provide that the period of three years should begin not from the date of the last application for execution but from the date of the last order on such a previous application. The first proposal is not considered to be satisfactory and the Bill gives effect to the alternative proposal.

Amendment of Merchant Shipping Act.

Mr. Bhore then moved for reference to the Select Committee the Bill amending the Merchant Shipping Act based on the promise of Sir Mahomed Hobibullah to improve the lot of pilgrims.

The Bill was referred to a Select Committee consisting of Mr. Bhore, Mr. Fasal Rahimtullah, Raja Ghasnafar Ali Khan, Mr. Allison, Sir Walter Wilson, Sir Abdul Qayum, Mr. Haji, Mr. Jinnah, Mr. Yakub, Mr. Shaif, Mr. Ismail Khan, Mr. Natiq, Dr. Suhrawardy and Mr. Kasim.

Negotiable Instruments Act Amendment.

Sir Basil Blackett next moved the consideration of the Bill amending the Negotiable Instruments Act with a view to provide that bearer Instruments should not lose their bearer character on account of their having been endorsed. The Bill was, in Sir Basil's opinion, of considerable importance from the point of view of development of banking in India.

Sir Purnabothamdas Thakurdas felt that in this matter the Government had acted on the views of the Associated Chambers and ignored those of the Indian Merchants Chamber. He could move for the appointment of a Select Committee provided they did not commit the House to acceptance of the principle beyond its application to certain instruments.

Sir Basil agreed with Sir Purnabothamdas in respect of restriction regarding the principle underlying the Bill and Sir Purnabothamdas's motion for Select Committee was agreed upon.

The following were appointed to the committee. The Finance Member, Dr. Macphail, Mr. Graham, Mr. Chetti, Mr. Aney, Mr. Fasal Rahimtullah, Mr. Anwarul Asim, Mr. Birla, Mr. Rangaswami Iyengar, Mr. Mehta, Mr. Pandya, Sir Walter Wilson, Mr. A. Iyengar, Pandit Motilal Nehru, Mr. Srinivas Iyengar, Mr. T. B. Roy, Mr. Kirkabhai Premchand, Mr. Nirmal Chunder Chunder, Mr. Harebandrai Vishindas and Sir Purnabothamdas Thakurdas.

Amendment of the Securities Act.

Sir Basil Blackett, also moved for consideration of the Bill amending the Securities Act of 1920. In doing so, he explained the provisions in great detail and concluded by emphasising that the House was asked to revise the law so that it might restore to the tax-payer the same amount of protection as he enjoyed before the passage of the Indian Succession Act last year.

Mr. M. S. Aney pointed out that under the Bill if the demand for payment be not made within six years after the date of maturity, then not only interest but the principal sum would not be paid. Thus the liability of the Government which under the Securities Act stood so long as the security was not paid might be absolved. Moreover, under the Bill a succession certificate would be declared null and void. Mr. Aney's motion was accepted.

The Indian Limitation Act Amendment.

Sir Alexander Muddiman then moved that the Bill further to amend the Indian Limitation Act of 1908 be taken into consideration. The Bill is the result of certain recommendations of the Civil Justice Committee. The Committee had recommended: (1) that sub-section 1 of Section 20 should be amended so as to make payment of interest also subject to the condition that the fact of payment should appear in the hand-writing of the person making the same; (2) that a limited owner under the Hindu Law and manager of a joint Hindu family should be enabled to make acknowledgments and payments under Sections 19 and 20; (3) that article 139 should be amended so to make it clear that a suit to recover the value of paddy and such produce charged on immoveable property comes within this article; and (4) that article 166 should be amended so as to make it

clear that it applies to a petition by a judgment-debtor under Section 47 of the Civil Procedure Code.

Sir Alexander Muddiman, in making the motion, remarked that objections to various aspects of the Bill had been met on an earlier occasion. He, therefore, only formally moved the Bill. Sir Alexander also explained that the Bill was brought forward in the light of criticisms made by the last Assembly on a similar measure.

Mr. Belvi opposed Clause 2 of the Bill. He said there was no such provision either in English or American Law. English Law did not require that payment of interest should be evidenced by writing. There was no statistics to prove the allegation of the Civil Justice Committee that there was a crop of frivolous suits in the absence of such a provision. In considering this subject, the difficulties of the people in rural areas should be given due attention. Any law which required that every payment made by a debtor either by way of principal or interest should be evidenced by writing would create unnecessary complications in the daily economic life of villagers.

Mr. Srinivasa Iyengar had another difficulty. The words "acknowledgment of payment" in the Bill would, he said, add to the difficulties, especially in regard to mortgages.

Mr. Nirmal Chunder Chunder reiterated the objection advanced by the previous speakers. On the other hand, Mr. Amarnath Dutt, speaking from his experience as a practising lawyer in the mofussil courts, disagreed with the learned lawyers who preceded him. In his opinion, this was a very desirable change which would prevent unscrupulous money-lenders cheating the borrowers.

Sir Alexander Muddiman briefly replied and the Bill was then passed with one or two dissentients. The Assembly then adjourned.

Non-Official Bills.

On the 1ST FEBRUARY the Assembly had a very short sitting with non-official Bills. Mr. N. C. Kelkar introduced this Bill to amend the Land Acquisition Act. He said his measure while not impairing the usefulness of the Act in any material particular would help to make its operation less unpopular because more equitable. First of all, his Bill provided for a judicial enquiry where alleged public usefulness of work for which land was to be acquired could be challenged by any person. Secondly, where compensation of land was required under the Act, the present arbitrary powers should be replaced by arbitration.

12 other Bills were introduced formally without speeches. Their introduction was not opposed. These were Mr. Doraisami Iyengar's Bill amending the Registration Act and Civil Procedure Code section 80; Dr. Gour's Bill amending I. P. C. Section 141; Mr. Yakub's Bill amending the Succession Act, section 372 and the Bill to regulate and improve law reports, Mr. Neogy's Bill amending Steam Vessels Act and Indian Merchandise Marks Act and Mr. Harbilas Sarda's Bill to abolish child-marriages among Hindus. The Home Member told the House that he would oppose this Bill at all future stages. Mr. Yakub introduced the Bill to limit interest charged on loans of various kinds in British India and bring the law into conformity with the needs of the people and Mr. Kelkar a Bill amending the Societies Registration Act Section 20.

Dr. Gour was not in his seat when called on to introduce his Bill to amend the Indian Criminal Law Amendment Act 1908, and the Code of Criminal Procedure Section 491. When he came in the President said he could only make a second reading motion of the Bill. Dr. Gour did this and the Home Member objected as the Bill had not been yet introduced. Dr. Gour appealed to the chair for indulgence as Sir Frederick Whyte had on a similar occasion shown to the Home Member.

Sir Alexander Muddiman said he did not want to be harsh on Dr. Gour, but if the convention of not opposing introduction of a Bill was to be observed then its corresponding obligation that in case of such Bills no second motion be made on the day of introduction should also be observed. This the President upheld and Dr. Gour agreed and was allowed to introduce his Bill which he hoped would, as altered, be acceptable to the Government as his previous Bill on the subject, though passed by the Assembly, was rejected by the Council of State. This Bill proposed to introduce safeguards of Habeas Corpus and would repeal and amend Part II of the Criminal Law Amendment Act whose repeal was recommended by the Repressive Laws Committee.

Next day, the 2ND FEBRUARY, after question time, Pandit Hridayanath Kunzru moved for the adjournment of the House to discuss the Government decision not to publish the report of the deputation to Fiji which was headed by Mr. Venkatapathi Raju. The President ruled that the chair was satisfied that the matter was not one of urgency and that the interest shown by the Home Member, meant that a resolution on the subject could be easily balloted. He, therefore, ruled it out of order.

Execution Decrees and Orders.

The Home Member then moved reference to the select committee of his bill amending the Civil Procedure Code relating to execution decrees and orders giving effect to the Civil Justice Committee's recommendations.

The Home Member said that although it was true that High Courts had been consulted with regard to the substance of the changes they had not seen the actual legal form in which they were embodied. He admitted the subject was complicated and therefore if Mr. Cooke who had tabled an amendment for reference to elicit opinion moved it, he would raise no objection to it.

Mr. Cooke moved for the circulation of the Bill for opinion and the Home Member agreed to this amendment. He said the High Courts had already protested in connection with some of the Bills arising out of the Rankin Report. The Bill was then ordered to be circulated.

C. P. C. Amendment Bill.

The Home Member next moved for the consideration of the Bill to amend Section 115 of the Civil Procedure Code mainly as recommended by the Civil Justice Committee limiting revisionary powers to Section 115 of the Code except in cases where special statutory provision was made to the contrary.

Mr. Jayakar opposed the Bill wholesale and held it to be, in the opinion of a considerable part of the legal profession, a retrograde Bill. It would cut down the wide revisional powers of the High Courts which was valued in India in respect of occasional blemishes in Judicial adminis-

tration. The Rankin Committee's sole reason seemed to be to avoid delay, but very large opinion in the legal profession was to have delay rather than injustice (hear hear). Mr. Jayakar went further and asserted that the Indian Legislature had no power to take away the inherent jurisdiction of the High Court given by a Statute of the British Parliament. Even leaving this aside, he asked the Home Member whether politically it was advisable at such a time when, instead of strengthening the position of the High Court, they should be deliberately limiting those powers. As one coming from the middle class, as a lawyer and as a politician, he held the measure to be retrograde and was opposed to it.

Mr. Srinivasa Iyengar, speaking with his legal experience which was not a limited one, held that the gravity of the proposal before the House was that it proposed to take away from the High Court's revisionary powers in just those cases where jurisdiction was most needed. The pious opinion of the Rankin Committee that delay would be avoided would not materialise. On the other hand, greater delay, greater trouble and greater expense to the litigant public would result in that the whole issue would have to be delayed till an appeal was filed against the decrees of the lower court. He wished the Government would bring forward a more comprehensive Bill on the Rankin report than this piecemeal legislation. (Official benches : No.)

Mr. Harchandrai Viahindas joined in the opposition.

Mr. Nirmal Chander quoted from the Committee's report to show that while the committee diagnosed the disease all right, they suggested a wrong remedy, for which no case had been made out.

Mr. S. R. Das, Law Member, was not surprised at the opposition from lawyers. As a matter of fact as a lawyer his first interest was to oppose the measure; but if the Bill was examined carefully they would see that in respect of decrees no change was made in the law. The change was proposed in respect only of interlocutory orders. The Government felt that in this respect, no injustice would be done by the change proposed. He had known numerous instances where the case had been held up for months by the application made under Section 115. There would be no injustice, because if one order was made it could be set right on appeal.

Mr. Jayakar : It may be too late.

Mr. Das replied that in some cases it might. He continued that the High Courts still had power of interference where the lower court was acting beyond its jurisdiction. He held that the power of superintendence of a High Court was not affected by the Bill. He told Mr. Jayakar that the delay in justice sometime amounted to injustice.

Mr. Jinnah characterised as poor the defence put up by the Law Member. Mr. Jinnah mentioned that the Bombay High Court had rightly held that urgent cases involving grave consequences might arise where although the order might be appealable, the High Court extended its revisionary power. The only ground urged for this drastic change was delay. The attitude taken up by Lahore and Allahabad Courts in interpreting the term 'cases' was most extraordinary. It could occur only in respect of pendency of bearing of a rule. If it was granted that there was a judge who knew his business, this delay should

not occur and he was confident about Bombay, Madras and Calcutta High Courts' judgment.

Pandit Motilal Nehru found no justification why one class of cases, namely, decrees, should be treated in one manner and the other class of cases, namely, interlocutory orders, in another. The Law Member had given away his whole case against delays by conceding that cases might be remitted. He found that the Allahabad High Court had in one day rejected 45 applications for revisionary interference. Moreover the power was discretionary and the High Courts could be trusted to exercise them properly. The Bill, instead of clarifying the law, would be mystifying it.

The Home Member then replied to the debate. Alluding to the argument that the Bill purported to take away the power conferred under Section 107 of the Government of India Act, he pointed out that the power given to the High Courts and those given to the Government were not co-extensive. The debate had convinced him of the merits of the Bill more than ever before. He assured Mr. Jayakar that there was no machiavellian intention in the Government in bringing the Bill. The Bill was entirely in correct legal form and sought to give effect to the recommendation which had the support of Sir Norman Macleod, Chief Justice of the Bombay High Court and of a Committee whose President and members were, he emphasised, very competent to deal with the task.

The Home member quoted figures to show that in the Bombay High Court the average time taken to dispose of revision cases was over a year. It was no good throwing stone on the competence of persons, because they put forward proposals which some lawyer members did not like. The House was entitled to suggest amendments during the consideration stage, but not oppose the consideration itself. If the Bill was opposed now, the only conclusion was that the Assembly was in favour of delaying justice which meant denying justice.

The motion for consideration was pressed to a division and lost by 42 against 58 votes.

Registration Act Amendment.

The Assembly without discussion passed the Bill amending the Registration Act and then adjourned till next day, the 3RD FEBRUARY, when the resolution of Mr. Jogiah for the release of political prisoners was taken up.

* Release of Bengal Detenues.

Mr. JOGIAH was cheered by the Congress benches as he rose to move his resolution recommending (a) the repeal of the Bengal Regulation III of 1818 and similar regulations in force in other provinces of India and urging upon the Governor-General-in-Council the bare justice of an immediate release of all political detainees or of giving them at least the opportunity of exculpating themselves and proving themselves altogether innocent of the charges, if any, levelled against them and (b) the grant of an amnesty to all political prisoners now undergoing imprisonment. Mr. Jogiah intimated that he would not press part (b) of his resolution nor speak on it. Mr. Jogiah declared that the Bengal Regulation and other similar enactments were passed when Napoleon cast his eagle eye on India and when echoes of the Mahratta war had not died; but while civilisation had advanced, these regulations continued to be on the statute book. Deportations in Ireland had no analogy as the former country was actually at war with England while India was not. He challenged that the Bengal Regulation had not been appropriately applied.

There was no question of disturbance of the relations with foreign powers. The chiefs of Indian States had proved their loyalty on all ceremonial occasions on the platform and through the press. There was also no internal commotion. The deportations of these men was thus not justified even by the terms of the Regulation. And who were deported? All of them were good men and true. They were all patriots, men of purity of life and of noble purpose.

Pandit Nehru's Amendment.

Pandit Motilal NEHRU moved that for the resolution of Mr. Jagiah, the following be substituted :—

"This Assembly recommends to the Governor-General-in-Council that he be pleased to immediately release or bring to trial all detainees under the old regulations and the Bengal Criminal Law Amendment Act of 1925."

Pandit Motilal said : The amendment, though given at short notice, was already on the order paper. The original resolution clouded the main issue. His amendment proposed to focus interest on one issue. This did not mean that the other parts were given up. These had already been dealt with by this House and would again come up.

The President permitted the amendment of Pandit Motilal provided the movers of other amendments withdrew in his favour.

Pandit Motilal said his resolution did not require any argument to convince the non-official section of the House of the justice and soundness of the position. As for the Government, it was so impervious to their demands that they would be wasting time and breath in discussing the resolution. Pandit Motilal recalled the words of Lord Lytton justifying the arrests carried out in October 1923 that there was existence of terrorism. The speaker also recalled his statement in the last Assembly showing that not a single case had occurred since 1919 which justified Lord Lytton and which incriminated the detainees. "I then asked 'give me one case in which the conditions mentioned by Lytton have operated.' The answer is yet to come. I again challenge my friend though two years more have elapsed to give the main facts to prove the charge." The speaker, continuing, read to the House the Viceroy's speech on the 24th on the subject. How on earth was Government to be satisfied that the release of those men would not disturb the peace of the land? The Viceroy had put the cart before the horse. Unless the Government told them the grounds for their fears, how was he to satisfy that those fears were groundless? If the Government was morally convinced that was right, the country was morally convinced of the innocence of these men.

Continuing, Pandit Motilal said if he was told that the bombs had even recently been discovered, his reply was that the real culprits were then still at large and innocent persons had been detained. The case of Mr. Mitra, a member of the Assembly, was discussed by the House. He did not expect an Englishman, least of all the Home Member, to say that any constituency's right to elect its member should be fettered by saying that Mr. Mitra's constituency was given an opportunity to elect another representative. Mr. Bose was suffering seriously and there was suspicion of tuberculosis, but it was not on medical grounds that he urged for release. He mentioned this to show the inhumanity and callousness of the Government in keeping these men without trial. "Let me say emphatically that we are not in a mood to listen to constitutional advance or entertain any proposal for co-operation until these men are released or brought to trial. This is the last opportunity for the Government to shake off nervousness and Lord Irwin to signalise the first year of his Viceroyalty and the first session of this Assembly by an act of broad-minded statesmanship and to mark the opening of this new House by a real change of heart and not let it go down to history as merely a landmark of haughty British Imperialism and enforced enslavement of India."

Sir Alexander MUDDIMAN, in opposing the motion, made a long speech. He gave a catalogue of crimes of violence which necessitated the passing of the Ordinances. The chief events were the dacoity near Howrah, the raid on U.adingi, the armed robbery in Gopalpara lane, the robbery with the use of firearms, the armed hold up at Chittagang of the mail van in 1923, then the murder of Mr. Day, the explosion of bomb in Faridpur, the discovery of a bomb factory in Calcutta, the bomb outrage in Mirzapur Street and the murder of Santilal Chakravarti, one of the accused in Mirzapur Street bomb outrage, all these in 1924. Thus, throughout these periods there was continuing a series of plots directed against the lives of police officers and there was one which aimed at killing the life of the Governor of Bengal. The Government had, in their possession, materials establishing in all essential particulars the reality of several of these attempts. This list of crimes would have been far longer had not the Government used from time to time the powers under Regulation III to detain the leading brains of the Terrorist Party and

Mr. C. R. Das himself admitted that the movement was more serious than the authorities realised. To meet such a situation, the Bengal Ordinance was passed because the resources of ordinary law had proved powerless more than once. High judicial officers had been taken into confidence and their conclusion had in every case coincided with those of the Executive Government. It is indisputable that all authorities, the Government, high judicial officers, administrators and the Police had eventually been driven to the unanimous conclusion that it was impossible to fight the revolutionary conspiracy or deal with revolutionary crime under the ordinary law or through the machinery of courts and that special powers of extra-judicial character were necessary. "Heaven knows the experience in regard to revolutionary conspiracies has been dearly enough bought. It would have been nothing short of criminal if they had disregarded that experience when they were again confronted by an exactly similar situation."

Continuing, the Home Member said from the introduction of the Ordinance down to the present time, there had not been one single outrage of the type he had just given except of course the Alijpur jail murder but the conspiracy had not been killed. For example, there was a widespread revolutionary racket in Bengal, in the U. P. and the Punjab in November 1925. There was the arrest of a party of nine in Dakshinewar in possession of live bomb etc. Then there was the Sova Bazar arrest in which two persons were found with revolver and some ammunition. Such was the history of revolutionary crime. Since special legislation became operative neither the movement had collapsed, nor had its violently criminal tendencies abated, but in all post-ordinance cases there was one reassuring feature namely, that in almost every single case the initiative had lain not with revolutionaries but with the police. The latter had been able to act in time by virtue of special powers to prevent murderous designs from coming to a head.

Mr. Banga Aiyar interrupting suggested that it was all the work of the agents provocateur.

The Home Member scorned any such suggestion or charge and maintained that there was the undeniable connection between revolutionary pamphlets and acts by men who were trying to carry out their programme which they did not deny. He further maintained that the Ordinance had been more than justified by the practical results. The Government had checked the outward manifestations of the movement to a very considerable extent, but the basic conditions remained unchanged. The conditions of release were set out by Lord Irwin in his inaugural address. Sir Alexander Muddiman quoted this portion of H. E. the Viceroy's speech in full to show that their sole object in keeping the men under restraint was to prevent terrorist outrages and that they were prepared to release them the moment they were satisfied that their release would not defeat the object. Regarding the first condition, he had shown that the activities of the revolutionaries still continued, though checked and restrained. As to the second condition which raised the question of individual release, the matter must be decided on the past record of a detainee and the present attitude. He said: "But the Government are not demanding as is sometimes alleged any humiliating confessions from those detainees. A declaration that a detainee would on release take no part in revolutionary activities would be an element to be taken into consideration by the Government; but this on the one hand would not amount to a confession that he had taken part in such activities in the past and on the other hand such a declaration could not and would not be accepted by the Government as a ground for release without an examination of the whole circumstances of the case and past record of the detainee. If the Government are misled into releasing prisoners who prove subsequently by their actions that they are not keeping to the statement they made and have resumed their deplorable activities then the remedy is in the hands of the Government."

"As for the Bengal Regulation detainees the Government of India are primarily responsible. As for the Ordinance prisoners, cases of individual prisoners are primarily a matter for the consideration of the Bengal Government. The Government of India are responsible to the extent of the general policy and action taken under that Act (Ordinance). They are not and they cannot be responsible for cases of individual prisoners."

"The general policy has been laid down in the Viceroy's speech. Application of that policy in the case of Regulation III prisoners is a matter for the Government of India and in the case of the Bengal Criminal Law Amendment Act prisoners for the Government of Bengal."

Mr. M. K. ACHARYA did not deny the Government charge that there was a revolutionary movement. In a land so badly and tyrannically governed as India, he surmised that there had not been more crime (Congress back benches; Hear, hear); but he asked what connection was there between these conspiracies and the detainees. Had Mr. Subodh Chandra Bose been found to be the leader of this gang? Where was the evidence to prove

It. He said "Why not create an era of peace, goodwill and confidence by releasing these men? There will always be found some bombs in India. Will these men for that reason be always kept in jail? If you don't believe so, take hostages from us and release them."

Lala LAJPAT RAI said the whole of India thought on this question with one opinion and the resolution would be brought up year after year until this fundamental grievance was redressed. There were conspiracies in all countries. The United States of America has the K. K. Klux Klan movement. There was lynching going on there; but the Government of the U. S. A. had not taken special measures to suppress them. In a big country like India, such crime could never be eliminated. "We want to show the hollowness of the claim that India is being governed by a civilised Government with the consent of the people. You cannot be defenders of liberty. You have snatched it from us and are keeping it back to exploit us." (Applause.) The Lala wanted the official members to put themselves in the position of the detainees who had been deprived of their liberty and comforts of life without trial. "I don't accept for a moment that official benches are greater friends of India than we on these benches are. You are absolutely loyal and faithful to your country, Great Britain, and we here are greater friends of our own country." (Applause.) I appeal to the Government to revoke this law for without that, there will be no reconciliation in the country."

Mr. GOSWAMI said when he came into the House he expected a more statesmanlike pronouncement from the Home Member. Mr. Goswami divulged publicly under the cover of privilege two statements made by Lord Lytton categorically to a conference in which Mr. Goswami took part. Firstly, Lord Lytton said he was prepared to release the detainees provided they gave an undertaking that they would not in future commit any violent crime or be concerned in the commission of violent crimes. Secondly, and it was an admission, Lord Lytton said that the people who had been proceeded against were people who had committed no crime, but were prevented from committing crime. Now which country in the world had laws which prevented crime by such indefinite detention?

The Home Member:—What was your reply to Lord Lytton?

Mr. Goswami said he had told Lord Lytton that all depended on the form of the undertaking asked for. He wanted the Home Member to find a solution honourable to both sides. Mr. Keane had called the revolutionaries as the unseen wing of the Swaraj Party. The speaker therefore challenged the Home Member to disprove the statement that arrests were made on the 25th October 1934 and warrants were all signed on the 28th August 1934, the day following the defeat of darchy in Bengal. (Applause.) Finally, he emphasised the seriousness of the situation caused by the health of Mr. Bose and other detainees. He endorsed Lala Lajpat Rai's statement that the country, though weak to-day, had potential resources.

Mr. Srinivas IYENGAR declared emphatically that it would be impossible for the Government to convince the Congress without the release of these prisoners. The Home Member's speech was a threefold tale. The speaker's opinion was that terrorism was on the other side. (Here, here.) The Government wanted to reserve to itself the political lead of the country. If the Government were put into jail, terrorism would stop. (Laughter.) Politics of the country could never be controlled by this policy of repression. "I agree with Mr. Acharya that I will be doing duty to my country if I were in the place of Mr. Bose. (European benches: Ho.) If the judgment of the Indian people can not change the Government, then God's condign punishment will fall upon this Government."

Mr. Abdul Matin CHOWDHURY said that the Government was only adding fuel to the revolutionary fire. Even Lord Lytton seemed to have an uneasy conscience over the matter. Others who had been released in the past had not disappointed the Government. Suffering of detainees on mere suspicion was more than even that of convicted persons. "Mighty Empires will not be shaken if three men are released. Intemperate speeches can still be made at St. Andrews Dinner. The Congress office will not shift on to Writers' Buildings. Olive Street can go on doing its business merrily, while Calcutta will become a cleaner and healthier city to live in."

Mr. SOMKINSON said that only compelling circumstances had rendered it impossible to hold an open trial. The experience of the life of Lord Lytton, Lord Reading, Lord Oliver and Lord Birkenhead was sufficient guarantee that the special measures were absolutely forced on them. This revolutionary campai

in intimidation, dacoities and robberies. What could be more despicable than that some of the revolutionaries should have taken to teaching to pervert the minds on boys committed to their charge. Could any one deny that there was definite recrudescence of the same movement which practically brought Bengal to a state of terror in the years before the Defence of India Act came into operation? Materials in the possession of the Government were convincing.

Mr. Jinnah: Why not try them?

Mr. Tuckinson replied that no Government worthy of its name would expose the witnesses to peril. The Government could continue these measures until the situation improved.

Mr. Goswami: Until it is broken?

Mr. Tuckinson opined that if in England a similar situation arose the good sense of the British people would agree to these laws (though Parliament would hesitate, as the Government of India hesitated in taking in hand these special powers. (Laughter.)

Pandit MALAVIYA warmly repudiated Mr. Tuckinson's assertion that the English Parliament would not hesitate to enact a law like the Bengal Criminal Law Amendment Act. On the other hand, he thought that the members would not be allowed by the people to approach Parliament House unless exceptional circumstances had arisen. Such circumstances had not arisen in India. Prisoners had not been given fair play. Nothing but official "fust" (prestige) prevented the Government from owning their mistakes. In not a single case had the reasons mentioned by Lord Lytton been proved. Every one in the discharge of his duties must bear all risks that were attendant on him. Indians and Europeans alike had to face such risks. Had not Lord Hardinge, when a bomb was thrown at him, said "Let there be no change in policy." The Pandit accepted that there was a conspiracy. But the way to deal with it was to bring the offenders to trial in an open manner. Lord Lytton who was a gentleman in many ways was wrong in the continued detention of the prisoners. Let not cowardly fear stand in the way of releasing the prisoners. The Government would earn the gratitude of the entire Indian community by releasing these men who had been under detention for 27 months.

Sir Alexander MUDDIMAN, the Home Member, then replied to the debate. His speech was of special significance in indicating the official mind on the subject of the release of Bengal detainees. He said:—

"Sir, I will not detain the House very long, at least, I trust, not at this late stage in the proceedings. This debate has lasted the whole of the long day. It has evoked a great deal of interest in all quarters of the House. It is only natural that it should do so. It is a matter in which I will, for the moment, endeavour to do what one of the speakers asked me to do, that is, put myself in the position of those speaking on the other side and I desire to make it quite clear that I realise that they feel strong in this matter. That is perfectly clear from the debate. It is perfectly clear from previous debates and it is also well-known to me. Apart from that, it is a matter, and must necessarily be a matter which, as I have told the House, the legislature will naturally press on the executive, namely, discontinuing the extraordinary measures unless they can justify their continuance. I make no complaint of the manner in which this House frequently returns to that point. I should think less of them if they did not do so. But as in all matters of this kind, it must be approached not in a spirit of antagonism, nor in a spirit of unhelpfulness, but in a desire to place a case before the Government which the Government can possibly deal with and which does not conflict with any of our primary duties. It has been said by one honourable gentleman that this was a matter that should not be made a question of party. In regard to administration of law and order, there is no party. The interests of the Government and the interests of the citizens ought to be one and I can assure this House that as the Home Member I have never discharged any of my duties with the slightest regard to party or community. You doubtless do think often that the Government are wrong-headed. You often think—you often say whether you really think it or not, for I doubt it—that we act from motives which we do not disclose. But I do beg the House to believe that as far as I am concerned and as far as the Government of India is concerned, there is no question of party or acting with any communal or political object. In our action in this matter our sole business is to deal a plain issue of law and order. I know the House dislikes the very mention of law and order when it comes from my lips though it comes very freely from the lips of those who sit opposite. Law and order does not mean that the Government is protecting itself. It means that the Government is protecting the bulk of its citizens.

Now I have heard a good deal in this debate about the growing dowdiness of British officials and Indian officials. Sir, that is not so. I don't think that is the true opinion of this House. I have filled a position of some importance in this country for many years. I have had to discharge duties of some importance which have brought me into contact with forces of disorder. I have never in my life had a guard of any sort. I do not pretend to be a man of any courage, for I know I am not. It may be true that having for a long time lived in Bengal I am tainted with the supposed vices of that province. (Laughter.) I ask the House to believe that there is nothing in these measures of ours that is being done to protect any supposed increasing timidity on the part of high officials. It is hard, I think it is very hard, that I should be told that that is the reason of our action. Sir, it is not a fear that police officials of both nationalities or officers of the Government may be shot; it is a stern fact. This is not a question of apprehension. They have been shot and shot frequently. That, Sir, disposes of the argument that these precautionary measures are the children of unreasonable apprehension.

Then, Sir, there is a further point that these outrages (unfortunately perhaps in the minds of some) do not affect merely a handful of Government officials. They affect a number of perfectly innocent men who have nothing whatever to do with the Government; men who were deputed were not officials of the Government; men whose money is taken are not officials of the Government; men who are injured are not often officials of the Government. The unfortunate Mr. Day who was shot in the Park Street was not a servant of the Government. As far as I know he had no connection whatsoever with the Government. It is true many Government servants have suffered and died bravely in the discharge of their duties but they are not the sum total of victims of the outrages. It was said, 'you have all kinds of arrangements to protect the great land'. Sir, the hand of the assassin may render all precautions useless.

Mr. Rangaswami Iyengar: Even with the Ordinance?

Sir A. Muddiman: Yes, Sir, even with the Ordinance. I cannot guarantee myself or the honourable members opposite from the hand of the assassin. You have seen that their hand falls on many who are innocent.

Mr. T. Prakasam: Continued detention will make it worse.

Sir Muddiman: It may be so.

Mr. T. Prakasam: It is so.

Sir A. Muddiman: If by that my honourable friend means that the spirit of these men is so filled with animosity that their release will increase revolutionary crime, then, Sir, he is using rather a poor argument in support of his own case.

Mr. T. Prakasam: That is not the point.

Sir A. Muddiman: Now, Sir, my honourable friend opposite said the cases of law and order was as dear to him as it was to me. Sir, does he agree with the view of one of his back-benchers who said 'if it was in my power, I would stir up every young man in India to become a revolutionary conspirator and encourage revolutionary crime in India.' Is that the message of his party to me or not? (An honourable member: Surely not.) (Another honourable member: He was right in saying so.) That, Sir, I should like to have heard repudiated, because it would have made my task easier.

Now, I desire to deal with one issue that was raised—raised in a very moderate way by a gentleman who does not always speak so moderately—but on this occasion he referred to the sufferings of some of these misguided men as a result of their confinement. I may at once, on behalf of the Government, say that if he can justify any real case for release or if anybody else can justify any case for release or if we ourselves can find that any case for release has been made out on medical grounds that release will be made.

Faizul Motilal Nehru: I did not put my amendment on that ground.

Sir Alexander Muddiman: No, Sir. But I desire to make it plain that we have a certain sense of humanity. We do not desire to detain men whose health has been so seriously impaired that their powers of harm have gone.

Mr. Rangaswami Iyengar: Emancipate them before you release them.

Sir Alexander Muddiman: We have not as yet adopted that system. (Laughter.) Sir, my hon. friend said that the tale that I have told the House is a three-told tale. Well, it is a three-told tale. You will remember the remark in Alice when "if you say it three times, it is right." Therefore, none the less it is, because it is three-told. My hon'ble friend Lala Lajpat Rai, in a very interesting speech, said that no arguments he could address would move him and that no arguments of mine would move him. For, to deal with his speech is useless for me to attempt to do so and I am sorry that this should be the case, for I should have endeavoured to address some remarks to him. Some other member said that preventive measures were unknown to Indian law. Well, Sir, it seemed to me when

I was a magistrate for some time that there were certain sections such as sections 107, 108, 109 and 110 which were of a preventive character and which may result in the incarceration of those who do not comply with their provisions. (An hon. member: Use them.) I was merely referring to the argument that there were preventive measures in our law.

Now, Sir, an argument was used that the Government does not do these things because, that we do it because it pleases us to do so capriciously. There is some peculiar feeling that I sleep or my honourable colleagues sleep more comfortably because they know that other people are sleeping uncomfortably. That is not so, I assure the House that that is not the case. Put it on the lowest ground, these men are a source of great political annoyance. To me they are a very good stick to beat the Government with. Their case is brought before me frequently and they give me and my officers a great deal of trouble and so putting it on lowest grounds, we do not keep them in because we enjoy doing it. I want to make that point perfectly clear. We have not put these men in jail either for political reasons or for the sake of gratifying some perverse sense of delight in oppression which is perfectly foreign to me or to the Government and would be a very unsatisfactory form of amusement. Sir, I noticed with satisfaction that my honourable friend the Pandit expressed his intention of supporting the Government in any measures required for law and order other than the one before the House. If he will pardon me, I have heard him say this before on another occasion (A voice: Any reasonable measure) where difference will probably come, and amiable as this House is in many ways it has not always shown its readiness to support reasonable measures or all any rule measures which this side of the House thinks reasonable. (A voice: Which side?) The House generally is unwilling, as all legislatures are apt to be, to support strong measures.

Now, Sir, a portion of my speech did not attract as much attention as I thought it might have done. It is possible because I spoke at considerable length foreign to my natural tendencies. I did not perhaps make it as clear to the House as I thought I did. I said and I will repeat it and I would ask the House to listen carefully. I had read out His Excellency's statement when he first addressed this House dealing with this question of the release of Bengal detainees. I may emphasise it that there were two conditions which were mentioned in that statement. The first condition, I hold and I think the House generally will hold, is not fulfilled. As regards the second condition I made the following remarks. I said: "As to the second condition which raises the question of individual release the matter must be decided in the last light of the record of the detainees and his present attitude. The Government are not demanding as is sometimes alleged any humiliating confessions from these detainees. They are more interested in the future than in the past. A declaration that a detainee would on release take no part in revolutionary activities would be an element to be taken into consideration by the Government. But this on the one hand would not amount to a confession that he had taken part in such activities in the past and on the other hand such a declaration could not and would not be accepted by the Government as a ground for release without an examination of the whole circumstances of the case and the past record of the detainee." That, Sir, if I may say so, was rather an important portion in my speech which I thought the House should have taken more notice of. The only speaker who did refer to it was my honourable friend, Mr. Goswami. He referred to it as being something different from an offer or a statement which he understood, no doubt in his own judgment correct, to have been made by His Excellency Lord Lytton at a meeting or Conference he held sometime before the session began. Well, Sir, when we were discussing the motion for adjournment the other day, this point was raised by a speaker who sits behind me and it was also raised by the honourable friend and I confess I was somewhat surprised at the statements that were made and accordingly communicated with the Government of Bengal and ascertained what had happened. The statement made by His Excellency Lord Lytton, I am assured, did not differ in terms from the statement I made to the House to-day. That there was undoubtedly some difference of opinion as to what was actually said seems clear, but I think it right to all parties concerned to say that the Government of India and the Government of Bengal are at one on this and although there may have been slight misapprehension, there is no difference in fact.

Mr. Goswami: Will the honourable the House Member permit me to say just one word? I suppose human memory cannot always be relied upon but I think I took the precaution of getting His Excellency Lord Lytton to repeat this statement. I said, "I

she it from Your Excellency etc." I thought I had made it quite clear that I understood him very clearly and very categorically. That is all I can say.

Sir Alexander Muddiman: I do not mean to challenge the accuracy of the honourable member's impression of what happened. That is not my point. It is quite evident that there was some genuine misapprehension of what His Excellency Lord Lytton said and I think it was right to clear it up at the earliest opportunity as, when the matter was mentioned in this House, I was not in a position to deal with it.

Mr. Jinnah: Do I understand the honourable member to say that this statement would not involve a confession of guilt?

Sir Alexander Muddiman: I read out the words very clearly and will read them out again because on this point there must be no ground for doubt whatever. What I said was a declaration that a detainee would on release take no part in revolutionary activities would be an element to be taken into consideration, but this on the one hand would not amount to a confession that he had taken part in such activities in the past and on the other hand such a declaration could not and would not be accepted by the Government as a ground for release without an examination of the whole circumstances of the case and the past record of the detainee. Now these words are carefully thought out words and I have read them out to the House on three occasions and hope the House will give due attention.

Now, Sir, let me develop the point I was about to make. It is said that these men are not revolutionaries and that they do not desire to commit violent acts. If that is the case, what I put before the House would seem to me to give them an opportunity at any rate of informing the Government if that is really their view. What view would the House take where a man says: "Yes, I am a revolutionary. You look me up. I do not care in the least. I desire to overthrow your Government by every means in my power. If you let me out, I will use a revolver if I can get it to overthrow you." Does the House wish me to release a man who says that? (An honourable member: Put him on his trial). Does the House really desire me to release a man who says openly that if he is released he will do that?

Pandit Motilal Nehru: Put him on his trial and evidence from the admission of that man would secure a conviction right enough.

Sir A. Muddiman: No man will be so foolish as to make that statement in circumstances where I can use it in evidence against him. That is a point I desire to bring before the House and on that I think the Government is entitled to ask what the view of the House in a case of that kind is, namely, where a man says frankly, "I am a revolutionary; I desire to overthrow your Government. I desire to use any means in my power to do that. If I can get a revolver, I will shoot the first police officer I come across."

Pandit Madan Mohan Malaviya: You have got Sections 108, 109 and 110 of the Criminal Procedure Code.

Sir Alexander Muddiman: I have put before the House a question of some importance. I will ask the House to think over that question very seriously. I have defended.

Mr. Jinnah: Is there any detainee, Sir, who has made that statement?

Mr. President: Does the honourable member wish to give way?

Sir Alexander Muddiman: No, Sir, when I was interrupted I was saying I have done my best to meet this resolution. It has been spoken to with ability in many parts of the House, but no speech has been of greater ability than that of Mr. Tonkinson whose intimate connection with the Home Department, I desire to acknowledge to-day, had been of the greatest value and to whom I tender my congratulations. Sir, I shall not detain the House from proceeding to its judgment by vote.

Pandit Nehru's Amendment Carried.

Division took place at 6 p.m. and Pandit Motilal's amendment was carried by 63 votes against 50 after which the House adjourned.

Official Bills.

The House re-assembled next on the 7TH FEBRUARY with an agenda of official legislative business. At the outset, on the motion of Mr. M. S. Aney, the Assembly selected a number of members to sit on the Select Committee to the Bill to amend the Indian Securities Act, 1920.

Sir Alexander Muddiman then introduced the Bill amending the Presidency Towns Insolvency Act 1909 and the Provincial Insolvency Act 1920,

Limitation Act Amendment.

The Home Member next moved for consideration of the Bill amending the Limitation Act 1908 (amendment of article 182). He said that the High Courts had expressed themselves in favour of the changes proposed.

Mr. Doraiswami Iyengar, in opposing the consideration of the motion, said he did so because he had failed in his honest attempt with the Home Member earlier in the day to have the Bill referred to the Select Committee. He said the Government were merely paying lip homage to the recommendations of the Civil Justice Committee. The difficulties of litigants were not so much in getting decrees but after getting them. Mr. Iyengar read the recommendation of the Committee in this particular and emphasised that the Government had taken advantage of a small conditional clause to bring before the Assembly this ha'penny ta'penny measure. Opinion was for deletion of article 182 and not for this very minor change which he feared would result in increasing frivolous applications by compelling the decree-holder to be court-burnt, looking after execution of applications. This was not the way to reduce law's delays but to increase them.

The Bill was then considered clause by clause. Discussion centred round the motion of Mr. Doraiswami Iyengar for the addition to clause five of the said article the following words: "or the date of any final decree passed in a suit directing refund of any amount realised by a decree-holder in execution of the decree."

Mr. S. R. Das agreed with the principal of the amendment suggested and promised to bring before the Council of State the necessary amendment. Thereupon Mr. Doraiswami Iyengar withdrew the amendment. The Bill with verbal alteration suggested by Moulvi Mohamed Yakub was then passed.

The Currency Bill.

The Home Member then announced the Government's considered decision to move for consideration of the Currency Bill relating to the exchange ratio on March 7th.

The Home Member announced that "Government have given very careful consideration to the question of further procedure on the Currency Bill and have taken fully into account the views expressed by various speakers in the course of the debate on January 25th. In order that their position in this matter may be clear to the House, the Government desire to explain shortly the reason for the conclusion they have reached.

"As many hon'ble members are aware, the main features of the budget have to be settled by the Government by the middle of January each year and it is only under considerable pressure that the preparation of the detailed estimates and demands for grants can be completed in time for the introduction of the budget on February 28th. The decision of the Assembly to postpone consideration of the Currency Bill last August, therefore, made it impossible for the budget of 1927-28 to be prepared on the basis of any ratio other than 1s. 6d. The effect on the budget of a reduction of ratio to 1s. 4d. would, of course, be very considerable, but it does not in any way depend on the question whether final decision regarding ratio is taken before or after the introduction of the budget. Clearly the ratio must be the same in either case and as stated by the Currency Commission in

207 of their report, the effect though it is not decisive, cannot be ignored in considering what the ratio should be if the House is called upon to come to a decision on the ratio before the budget is introduced. The decision will take place in the absence of facts and figures which are known to the Government and are very material to the decision and should obviously be weighed by the House in coming to their conclusion, but cannot be disclosed without a premature disclosure of the contents of the budget. If, on the other hand, the budget is opened before the discussion takes place, the House will have full knowledge of bearing upon the finances of the country on the decision they are called on to take and will be able to come to their conclusions both on the budget and on the ratio with a full understanding of all relevant facts. No more and no less difficulty would be involved in readjusting the budget figures and the proposals to 1s. 4d. if a decision in favour of that ratio were taken after 28th February than if it were taken earlier. In view of these considerations the Government have decided to pull down the motion that the Currency Bill be taken into consideration on Monday the 7th March".

Before the Assembly adjourned till next day (for consideration of non-official resolutions), the Select Committee's report on the Steel Protection Bill was presented amidst cheers. The following is the text of the Report :—

Select Comm. Report on Steel Protection Bill.

The Majority Report.

"We have considered the Bill and have now the honour to submit this our report with the Bill as amended by us annexed thereto. At the outset of our proceedings, we considered six different methods of conferring protection on the steel industry enumerated in paragraph 94 of the report of the Indian Tariff Board regarding continuance of protection to the Indian steel industry. As a result of our discussions, a great majority of us were satisfied that only two methods were practicable in the present circumstances. First of these is that embodied in the Bill by which duties are imposed on steel of British manufacture against competition from the United Kingdom and higher duties on steel imported from other countries. The second is a system by which uniform duties would be imposed on steel imported from any source, these duties being based on the difference between fair selling prices for Indian steel and weighted average prices of imported steel. In order that the difference between the two methods might be clearly brought out, the Commerce Department of the Government of India supplied us with amendments which would be necessary in the Bill and its schedule, if it were decided to adopt weighted average system without increasing or diminishing the degree of protection given. The Department also supplied amendments embodying a modification of this system by which certain classes of steel would become subject to (a) uniform basic duties and (b) uniform additional duties and the Governor-General in Council would be empowered to modify the additional duties (but not the basic duties) whether by way of increase or of reduction. This modification of the weighted average system removes one of the objections to which it is open, viz., that it provides no means by which without legislation the amount of protection could be reduced if a substantial increase in prices had rendered it altogether excessive.

"We discussed at length the advantages i. e., (a) differential duties with a lower rate on steel of British manufacture and a higher rate on steel not of British manufacture and (b) weighted average system opened by the division of the duty on such class of steel adopted into a basic and an additional duty. A majority of us are of opinion that the first of these alternatives which is the scheme adopted in the Bill is preferable and should be adopted. In arriving at this conclusion we have attached great weight to the principle embodied in the preamble to the Bill that a scheme of protection must have due regard to the well-being of the community. We are satisfied that the economic interest of India

will be better served by the system of differential rates of duty on British and non-British steel than by a system which subjects all steel to uniform rates of duty based on weighted average prices of imported steel. A weighted average system of duties must be unsuitable because change in the relative level of prices of British and continental steel would lead to change in proportions in which steel made in India is sold in competition with steel from each source. A more serious objection is that the price both of standard steel and of fabricated steel would be raised unnecessarily owing to the higher duty on British steel. As a result the cost of important public works involving the use of large quantities of steel would be increased. The manufacture of machinery in India would be rendered more difficult and industrial development of the country would be retarded. It has been urged that the weighted average system at any rate diminishes the burden imposed on users of steel. We do not consider that that claim is well founded. Of the classes of steel to which the Bill applies differential rates of duty, the most important is steel bars and in this case the difference between the duty on continental bars proposed in the Bill and the duty required under weighted average system is no more than Rs. 2 a ton. To that extent, price of steel bars would be higher under the differential system in Calcutta and in any other area where Indian steel can compete effectively with imported steel. But in areas which are nearer to other great ports of India than they are to Jamshecpur and where consequently Indian steel is at a disadvantage, it is possible for importers to raise the price of continental steel bars to a point a little below the price at which British steel bars could be imported under the weighted average system. This point is higher by Rs. 2 a ton than it is under the differential system. We believe that if the differential system is adopted the consumer of non-standard steel in any area in which Indian steel cannot effectively compete will not in fact pay a higher price than he would under the weighted average system but a lower one owing to the reduction on the British steel.

"We considered but were unable to accept a suggestion for securing the welfare of labour for the limitation of dividends and for preventing industrial concerns which enjoy the benefit of protection from passing out of Indian into foreign hands. We think that difficulties in the way of incorporating provisions of this kind in the Bill are insuperable.

"Having approved by a majority the principle of differentiation in certain classes of steel between steel of British manufacture and steel not of British manufacture, we proceeded to a consideration of the details of the Bill.

"Clause 2: We considered a suggestion that the Bill contained no provision for the consequences which might follow a substantial decrease in the price of British steel and we have amended Clause 3 (1) of the Bill in order to provide for this contingency. It is proposed by the amendment to insert in section 3 of the Indian Tariff Act 1894 a new sub-section empowering the Governor-General in Council to increase but not to reduce the duty chargeable on articles of British manufacture if changes in prices are likely to render ineffective the protection given to the Indian steel industry.

"Clause 3: We have made an amendment in this clause omitting words, as, according to the clause, before the amendment, it would be impossible for the Governor-General in Council without legislation to order a general enquiry into the condition of steel industry before the 1st of April 1933. We think this restriction is undesirable since circumstances might be such as to render an enquiry imperative at an earlier date.

"In the schedule we have made an amendment in item 62 in Part IV in Schedule II to the Indian Tariff Act 1924 as amended by the Bill. Under this item as it stood, certain kinds of steel bars which the Tariff Board considered should be subject only to a revenue duty, became subject to a protective duty. The effect of the amendment made is to exclude such bars from the scope of protective duty.

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Minutes of Dissent.

Minutes of dissent signed to the report of the Select Committee on the Steel Protection Bill are two. The one is signed by Mr. Jayakar, Lala Lajpat Rai, Mr. Shunmukham Chetti and Mr. Amarnath Dutt, while the other is signed by Mr. Jannadas Motba, Mr. M. N. Joshi and Mr. M. K. Acharya. The former minute says:—

"We regret we have not been able to agree with the scheme of protection as embodied in the Bill approved by our colleagues. Though certain amendments have been made to the Bill as originally introduced by the Government, yet the general scheme remains the same. The main scheme of the Bill is to differentiate between steel of British origin and non-British origin. The scheme has been criticised as a scheme of imperial but we were assured that this is not really imperial preference but is due to differences in the quality of steel imported. Even though we might be prepared to

except the assurance that imperial preference is not sought to be introduced through this Bill, yet the fact remains that the difference in duty which is sought to be imposed is not based merely on the quality of goods but on the basis of the country of origin. We think it very undesirable to accept any scheme of protective duties based upon the country of origin of commodities imported. The acceptance of such a principle in any form is not merely unsound but it may lead to complications in future.

"Though a greater proportion of continental steel that is imported into India does not conform to British standard specifications, it has not been denied that standard steel is manufactured in the continent also. By imposing a higher duty on all continental steel, irrespective of the fact whether it is standard steel or not, continental manufacture of standard steel is placed at a disadvantage in the Indian market as compared with the position of British manufacture. Such a discrimination, in our opinion, cannot be justified unless India is prepared deliberately to adopt a policy of British preference.

"Though we are assured that all steel manufactured in the United Kingdom conforms to British standard specification, yet it is not unlikely that the British manufacturer taking advantage of the assured protection given to him in the Indian market for a period of seven years may lower the standard of British steel imported into this country. This result can be brought about either by deliberately lowering the standard or by a greater use of semi-finished continental steel. Our apprehensions in this respect are confirmed by the remark of the Tariff Board in paragraph 104 of the report in which they observed, 'the present price of imported British steel on which our proposals are based reflects, to a very large extent, economies rendered possible by the use of semi-finished continental material.' In any case there is a likelihood that rejections of British manufacture may be sent to India in larger quantities.

"These are some of our main objections against the scheme proposed by the Government and for these reasons, we regret we cannot agree to that scheme. After carefully considering the various alternative schemes suggested by the Tariff Board, we have to come to the conclusion that a uniform duty based on weighted average system with a basic duty which will not be altered for seven years would be the best in the circumstances. Under the scheme that we propose, there would be a basic duty calculated upon the present selling price of British standard steel together with an additional duty to protect Indian steel against continental steel, which sells at a lower price. If prices of British or continental steel increases or decreases, the Governor-General in Council is given power to decrease or increase additional duty as the case may be. This modified scheme that we propose will meet the main objections urged against the average weighted system as proposed by the Tariff Board. Our scheme differs from that suggested by the Tariff Board in that we have proposed the levy of a basic and an additional duty in the place of one uniform duty suggested by them and the additional duty that we proposed would be levied upon all steel irrespective of the country of origin. By fixing a basic duty for a period of seven years, the steel industry is assured a minimum protection during this period and this would achieve the object of attracting fresh capital into the steel industry. Power to alter the additional duty which we propose to vest in the Governor-General in Council will be an effective safeguard against any excessive or ineffective protection.

"We are conscious of the fact that under our scheme, the price of British standard steel will be a little higher than the corresponding price under the Government Bill. Though this may be considered to be a defect inherent in the scheme that we propose, we may urge that the additional steel burden on the user of British steel is counter-balanced by the lower price of continental steel. None of the alternative schemes suggested by the Tariff Board can be said to be entirely flawless and, in our opinion, the scheme that we have proposed seems to be the best under the circumstances. We append herewith a draft of the Bill embodying the scheme suggested by us."

Mr. Mehta's Dissenting Minute.

The other written by Mr. Jamnadas Mehta is opposed to imperial preference as the other section of dissentients, but they point out that the overwhelming majority of people will refuse to countenance imperial preference in any shape or form not because of any hostility towards the British people, but because of deep-seated conviction based on the painful experience of nearly two centuries that British imperialists and capitalists are at the bottom of all India's trouble. If the full results of the Board's proposals of differential duties which are most in the nature of speculations materialise, they will give to the industry in the first four years the least protection when it requires most. Moreover, it imposes an intolerable and wholly unnecessary burden of forty lakhs of rupees a year on the consumer of certain continental products in Burma, Eastern Bengal,

Assam, Madras Presidency, Central Provinces, etc., without conferring the least benefit on the Indian industry. Mr. Jammadas says that the scheme evolved by his friends in the minute of dissent was untried and if it did not succeed, the responsibility would be placed on the shoulders of the Assembly. Mr. Jammadas Mehta and Mr. Acharya favour the imposition of protective duties and payment of bounties as the only method of protecting the industry without unduly taxing the taxpayer. After a calculation of different statistics, Mr. Jammadas recommends that the present system of combined duties and bounties is the best.

Mr. Joshi agrees with this minute so far as it develops the system of duties and bounties combined, while Mr. Acharya agreed in entirety. They recommend that uniform bounties should represent the difference between a fair selling price and the higher scale of foreign prices. The bounty should be fixed from the amount recoverable from protective duties. Finally, Mr. Jammadas recommends that the Bill should be referred to the Select Committee for the adoption of the above proposals.

The Tariff Board's Recommendations.

Early in January 1927 the Government of India in a communique published the report of the Tariff Board announcing that they propose to introduce in the Delhi Session of the Assembly a bill carrying out the main recommendations contained in the Report. The Board recommended that Protection granted to the Indian steel industry since 1924 to be continued in a modified form for seven years till March 1932. The report of the Board which conducted a statutory enquiry into the condition of the industry embodied proposals for the imposition of differential duties and abolition of the system of bounties. Protection given to the industry in India had substantially improved its position and the output of finished steel at the end of seven years would be 600,000 tons while the cost of manufacture is expected to be reduced especially after the recent and contemplated extensions and improvements in Jamshedpur works. But the prices of imported steel had fallen substantially and unless protection was continued it would not be possible to manufacture and sell Indian steel in competition with imported product.

The Board condemns the system of bounties under which the steel industry would have obtained from Indian revenues about 209 lakhs of rupees till the end of March 1927 as being less effective in preventing unfair competition. It does not suggest the adoption of uniform duties because under it manufacture calculated to discourage the British standard of steel which is more reliable than Continental steel would be clearly undesirable. It is regarded as probable that the prices of British steel in future would be fairly stable but the course of Continental prices cannot be foreseen as numerous factors like combines and unfair dumping aided by a depreciating exchange might come into play. Therefore the Board suggests the imposition of a basic duty on all steel imported from whatever country while additional duty is recommended on steel of non-British origin. The board reduces the present import duty on rolled steel as follows :—

In the case of rails from Rs. 14 per ton plus bounties to Rs. 18 basic duty and no additional duty.

Fishplates from Rs. 14 plus bounties to Rs. 6 minimum basic duty and no additional duty.

Structural sections from Rs. 30 per ton to Rs. 19 basic and 11 additional.

Bars from Rs. 40 per ton to Rs. 26 basic and 11 additional.

Galvanised sheets from Rs. 45 to Rs. 28 basic and no additional duty while the duty on plates is raised from Rs. 30 per ton to Rs. 20 basic and 16 additional and black sheets from Rs. 30 per ton to Rs. 25 basic and 24 additional.

As regards fabricated steel the Board recommends in place of a 25 per cent. ad valorem duty a basic duty of 17 per cent., and an additional duty of Rs. 18 per ton. By the end of seven years the Board believed the industry should be able to meet the British competition without the assistance of any protective or revenue duty. If the Continental prices remain at their present level some measure of protection might still be required. The proposed basic duties should be in force unaltered for seven years when there must be another statutory enquiry but additional duties might be reduced or raised by the Government without reference to the Legislature during the period of protection if the prices of non-British steel justify the change. The proposed duties though they involve a distinct reduction in the existing duties should enable in the long run to reduce the prices of steel to a level lower than at any period since the war. At the same time the Board points out that the low level of duty on rails would be justifiable only if the Government arrange to purchase the whole of their requirements of rails in India so far as they can be produced in India.

While giving this warning the Board is constrained to warmly refute the allegations of the Tata Company that the Indian railways avoided the purchase of Indian material because these allegations were not substantiated by evidence. The Board has satisfied itself that differential duties are not impracticable from the administrative point of view and these are recommended as leading to an equitable distribution of burden over the different classes of consumers and based on purely economic grounds without regard to political considerations.

The Board after enquiring into the condition of the tin-plate industry studiously recommends for seven years a reduced protective duty from Rs. 55 to Rs. 45 per ton and it has ruled out the suggested discrimination of duty in favour of Wales since it is with the Welsh tin-plate that the Indian product has mainly to compete.

The Board's recommendations are all unanimous and the report is signed by Mr. Girvan and Messrs. Matthal and A. E. Mathias, members.

Govt. Action on the Board's Recommendations.

On or about the 17th January the Government of India published a Bill providing for continuance of protection to the steel industry in British India and formally repeating the 1924 Act. This Bill gives effect to the main recommendations of the Tariff Board recently published after a statutory enquiry. The protection is by means of increased duties on imports and not by grant of bounties on production and it will have effect for seven years from the 1st April, 1927, to the 31st March, 1934. It is made clear, however, in the preamble and in clause 3 of the Bill that the limitation to seven years is applicable only to the rates of duty and not to policy of discriminating protection itself. The Bill provides for a statutory enquiry in 1928-29 in order to ascertain what amount of protection may still be necessary and the manner in which it would be conferred.

Following the Board's recommendations the Bill provides for the imposition of differential rates of duty on certain iron and steel articles, with a basic duty in case of articles of British manufacture and an additional duty in case of those of non-British origin. The Bill also gives effect to two recommendations of the Board made in earlier reports. Both are closely connected with continuance of protection to the steel industry. The first is removal of the duty on unwrought zinc. The main object of this change is to reduce the cost of manufacturing galvanised sheet and consequently the amount of protection it requires. The second proposal is reduction of duty on block tin from 15 per cent. of value to Rs. 250 per ton, which has already been approved of by the Indian Legislature by resolutions passed in February, 1926. Both these changes, namely, removal of duty on unwrought zinc and reduction of duty on block tin, will not be subject to the seven years' limit.

The existing protective duties on wire and wire nails are continued, but the Government announced their intention of bringing before the Legislature in the Simla session proposals for a continuance or modification of these duties.

Adjournment Motion on Currency Bill.

Next day, the 8TH FEBRUARY, soon after the House re-assembled, the President announced that he had received an adjournment motion from Mr. S. Srinivasa Iyengar raising the question of putting off the Currency Bill till after the Railway Budget had been disposed of and the general budget had been presented. The President said that the decision was announced only the day before and it was *prima facie* in order, but he would like to hear objections.

The Home Member submitted that the chair should watch very jealously whether the business of the House should be allowed to be disturbed very frequently. The Government had a right to determine its own business and if it did not follow the wishes of the House, it would prejudice its own case with the House. He submitted that the matter was not urgent and was barred by rules as it would be anticipating the debate on the Bill.

Sir Purushottamdas said that the motion of adjournment had the strongest case ever made out and was a matter of urgent public importance, particularly as the Railway Budget was coming in the third week of this month and the ratio would make a difference of a crore in expenditure,

The President said that the chair was unwilling to accept an adjournment motion until a clear case had been made out. It did not lie in the mouth of the Government to say that the matter was not of urgent importance as he thought its importance and urgency had been admitted by the Government in considering this question at the meeting of the Executive Committee. He accordingly held the motion in order (applause from opposition benches) and fixed 4 p. m. for its discussion.

Amalgamation of Oriya Tracts.

Mr. Nilakanta DAS then moved for the taking of immediate steps for putting or publishing schemes of putting all Oriya-speaking tracts under one local administration.

Pandit Nilakantadas said that an amalgamated one administration would be conducive to the interests of the people. He gave a short history of the agitation to bring the Oriya-speaking people under one administration and also how Orissa came to be attached first to Bengal and then to Bihar. He recalled that under the Hindu Raj and also the Moghul Rule, the Oriyas' identity was recognised, but it was under the British Rule that their Zamindars were sold away for paltry sums to the people in Calcutta who were absentee landlords. If Assam with practically the same population and without a High Court and without a University could be constituted into a Province, why not the Oriyas have an exclusive province? However, as long as the Oriyas were not brought under one administration, he would keep an open mind on the question of the province they should be part of. He would prefer to be part of Bengal rather than wash the fields of Bihar. But even if Government in the last resort asked them to agree to all the Oriyas being put under Bihar, they would accept it, but with a hope in the future of trying their luck for an exclusive province for the Oriyas.

Mr. Gaya Prasad Singh wanted the issue to be clear and moved an amendment urging the amalgamation of the Oriyas with the present Orissa division of the Province of Bihar and Orissa and quoted from Messrs. Phillip Duiff's report in support of his proposal. Orissa was backward and suffered from chronic starvation and would do well to remain with Bihar, but if the Oriyas wanted to go out of Bihar, the Biharis would bid them regretful but cordial farewell.

Mr. Ranga Aiyar's amendment urging the redistribution of the provinces on a linguistic basis was ruled out by the President as materially widening the scope of the original resolution. Mr. Ranga Aiyar quoted Mr. Lionel Curtis, the fore-runner of the Montford Reforms, that the aim should be the constitution of small provinces and all conditions laid down by Mr. Curtis were fulfilled by the Oriyas. They would not have a federal India on which Sir Frederick Whyte wrote at the request of the Government of India without a redistribution on linguistic basis.

In winding up the debate, Sir Alexander Muddiman said: If it was intended to group Oriya-speaking tracts into a separate province, then it required far greater enquiry and closer scrutiny than had been so far made. He was in great sympathy with Oriya-speaking tracts maintaining their own traditions and civilisation. With regard to the suggestion that Ganjam District should be transferred from Madras Province to Bihar and Orissa, this involved referring the matter to the Bihar Council not as to "desirability of the transfer, because it was to be decided by the Gov. A of

India, but of the financial and administrative aspects of the question. He admitted that the present arrangements were not altogether satisfactory. Personally, he thought that if after financial investigation, it was found that the tracts could be conveniently transferred to Bihar and Orissa, he would transfer them. Concluding, he said that the efficiency and convenience of administration would be the determining factor and if it was found that these two factors did not come in the way, the matter would be sympathetically considered. He, therefore, asked the mover to withdraw the resolution which along with the amendment was withdrawn.

Administration of Santhal Parganas.

Kumar Ganganand Sinha then moved withdrawal of Santhal Parganas District in the Province of Bihar and Orissa from the operation of Section 52-A and 71 of the Government of India Act of 1919 and the amendment of the Schedule Districts Acts of 1874 so as to omit from it Santhal Parganas occurring in part 3 under the head "Scheduled Districts, Bengal, of the first schedule of the Act."

Mr. Ramnarayan Singh moved an amendment suggesting the exclusion of the Districts of Sambalpur and Santhal Parganas from the operation of Section 52-A and 71 of the Government of India Act. He drew attention to the fact that either the Governor-General or the Governor of the province had very little or knew very little of what was going on in these Districts. It was the Collector who was really a ruler and gave examples of what the speaker called petty tyrannies of local administration.

Mr. B. Das suggested an amendment to the above amendment urging the inclusion of the District of Angul and withdrawal of Section 71 of the Government of India Act. Messrs. Nilkantadas, Gaya Prasad Singh and Sidheswar Sinha spoke in turn up till four o'clock in support of the motion.

The Adjournment Motion on Currency Bill.

Mr. Srinivasa IYENGAR moved his adjournment motion at 4 p. m. Mr. Iyengar found no reason why the Finance Member did not keep to his promise. Last August the Government wanted to take the country by surprise and rush the Bill, but when the Assembly postponed it more currency experts than Sir Basil imagined sprang up. Sir Basil dropped the Bill as something hot. As the ratio would affect the expenditure in determining the supplementary estimates, the Government must come forward with the Currency Bill at once. The main purpose of the delay seemed to him to force the Assembly to accept the Finance Member's ratio. He, however, submitted that the ratio should be determined in the permanent interests of the country and that Budget considerations should not be brought in.

Mr. JAYAKAR supported the motion. He accused the Government of flagrant breach of the promise of August last. The Finance Member had told them that the members would have an opportunity of discussing the Bill in a calm and cool manner and on its merits.

Sir Basil Blackett:—Will the Hon'ble Member actually quote "me"?

Mr. Jayakar said this proposition was put forward by Mr. Rangachariar and practically endorsed by the Finance Member. A small bird whispered into his ear that Sir Basil wanted to follow the policy of divide and rule and place the members on the horns of a dilemma by setting up the

provinces favourably treated in respect of the remission of contribution against provinces not so treated.

Sir Basil BLACKETT was pleased that the motion passed through narrow margins and was allowed by the chair as he was thereby enabled to dispel the prejudice. The Government were entitled to bring, in the interest of India, the exact bearing of the ratio on the budget figures. The policy of remission of provincial contributions was laid down by the House and whatever the Government would do in this matter, it would not be influenced by what the House did to-day. He heard the charge of trickery and he asked what all this excitement meant, whether it foretold that the House was being locked into expressing a final decision in blissful ignorance of some important consequences that the advocates of 1s. 4d. were so desperately afraid of discussing the ratio in the light of relevant facts and figures. (Official cheers). He admitted the need for early discussion but there would be no serious damage done in the interval to the country by justifying the adjournment motion. It was not challenged that the adoption of 1s. 4d. would have disastrous consequences on the budget. (Voice : No. no).

Sir Purushothamdas THAKURDAS said : Ever since the 25th ultimo when the House came to know that the Finance Member wanted to take advantage of something in the budget, the House did not want that the artificial support to that ratio should be made available to the Finance Member. (Sir Basil Blackett and Official Members : "Why?")

Sir Purushothamdas Thakurdas : "Because the ratio is not to be for one budget but for 50 budgets. (Applause). Are you prepared to guarantee that under 1s. 6d. there will be no more deficits after you leave India or are you anxious to balance the budget in your period of office irrespective of the deluge that may follow when you have left? What the country wants is a correct ratio. (Applause). I say the Finance Member having wasted 16 million of gold resources of India, he (Finance Member) is afraid of coming before the Assembly without an extra present, however, short and temporary it may be." Was it not a fact that never in the history of the Indian legislature had any other bill been allowed to intervene till the House had discussed and disposed of the Finance Bill? By putting the bill on the 7th March the Government was stampeding the Assembly.

The Finance Member : "No, Sir."

Sir Purushothamdas : What is the good of saying "No.". That is what you are doing. Sir Purushothamdas further asked whether a commercial budget like railways could be treated properly when the ratio would make a difference of a crore and a half in the railway revenue and capital expenditure.

Mr. Jamnadas MEHTA said that the Government was blowing hot and cold in the same breath. In August last Sir Basil wanted the Bill to be considered "now and here". To-day he said, "there is no harm in considering the Bill after a month." This was an insult to the intelligence of the Assembly. If you regard the Bill as a matter of permanent importance, then you should allow us to discuss it now.

Sir Basil Blackett :—Hear. hear.

Mr. Jamnadas Mehta : You say "hear, hear," but all the same you are deaf. (Laughter.) You want us to settle the ratio question in the

light of the figures of a single budget. This is an unnatural method of deciding the ratio problem.

Mr. Srinivasa IYENGAR, replying, said he was thoroughly unconvinced by the arguments of the Finance Member. The plea of budget figures was unreal for, irrespective of the budget, the Government had accepted 1s. 6d. and once the Government pronounced its decision it never changed it even if it knew it was wrong. (Laughter). The Home Member's statement promising consideration was ambiguous.

The Home Member: If the Hon'ble Member suggests that when I made that statement I had made up my mind, he is saying what is not true.

Mr. Srinivas Iyengar accepted the contradiction. He challenged the Government's right to determine the course of business altogether independently of the wishes of the House.

Sir Basil Blackett was glad to hear on the authority of the Congress President that his Party would vote on the ratio on its merits and that the press announcements that the Party had already decided to vote for 1s. 4d. on political grounds was untrue. The Finance Member admitted that the House must vote on the permanent ratio, but its effect on the budget could not be slurred over and a clear idea of its effect on the next budget and succeeding budgets could not be had till the budget was presented.

At 5-30 division was called and the motion was carried by 52 against 45 votes amidst loud cheers from non-official benches. The House then adjourned.

Next-day, the 9TH FEBRUARY, the Assembly devoted its sitting to vote 23 supplementary demands for grants. References were made during the discussion to the difficulty caused by the ratio controversy and there was an interesting debate on a token out raising the question of aviation.

Demands for Excess Grant.

Sir Basil Blackett first moved the demand for the excess grant of over Rs. 14 lakhs under Posts and Telegraphs for the year 1924-25. He did not think it desirable to go into technical details and explain to the House the reason for bringing forward this demand. The position was fully examined by the Public Accounts Committee.

After a short discussion demands for excess grants for 1924-1925 charged to revenue under the heads Posts and Telegraphs, Survey of India, Archaeology, Education, Civil Veterinary Services, Census, Joint Stock Companies, Superannuation Allowances and Pension Refunds were all agreed to. The Congress members cried "No" on all these demands, but did not press their opposition to a division.

The House then proceeded to vote supplementary demands for grants.

Aviation Expenditure.

About eight supplementary grants were voted. When a supplementary demand for Rs. 9,96,000, in respect of aviation for the year ending 31st March 1927 was put, Pandit H. N. Kunzru moved its reduction by Rs. 100 to elicit certain information from the Government. Firstly, he asked whether civil aviation in India was to be developed through private enterprise or by the Government as was being done in the case of railways, telephones and telegraphs; secondly, whether the Government proposed to put a clause in the agreement which they would come to with a private company which

would carry on civil aviation that after a certain period it would be taken over by the Government; and thirdly, whether the Government would accept the principle of giving employment to Indians in air service. These matters were not clear in the memorandum which was supplied to him. He was anxious to see that this demand which involved a question of policy should be thoroughly discussed by the Assembly. He, therefore, suggested that this demand should be brought up along with the budget.

Sir Purshottamdas Thakurdas as a member of the Standing Finance Committee that recommended the matter being put before the Assembly urged the postponement of the debate on this demand, firstly, because the issues involved were very serious, and secondly, some members were not in possession of the memorandum and they must weigh all facts fully because expenditure would in future very likely go up to Rs. 25 to Rs. 30 lakhs.

Mr. Chetti asked whether discussion could be conducted without the House being supplied with a memorandum.

The President said this was not a point of order. The remedy lay in the members' hands by postponing discussion.

Sir B. N. Mitra assured he had not the slightest objection to adjournment and could, if the House wished, reply to the points raised by Pt. Kunzru. The discussion was, thereupon, adjourned unanimously and the House agreed to all the remaining demands for grants. Only in respect of stationary, Mr. Jamnadas wanted to criticise the Calcutta Printing branch for not supplying books but the President ruled it out of order. The House then adjourned.

Administration of Santhal Parganas.

On the 10TH FEBRUARY, the House reassembling, discussion was resumed on Kumar Ganganand Sinha's resolution urging the withdrawal of Santhal Parganas Districts in Bihar and Orissa from the operation of sections 52(a) and 71 of the Government of India Act 1919.

Sir Alexander Muddiman said that under section 52(a) sub-section 2 of the Government of India Act, powers of the Legislature were limited with regard to putting into effect any law. He wanted a ruling from the Chair whether the Assembly could discuss the amendment of Mr. B. Dass which wanted exclusion from the operation of Section 52 of the Act and not 71 thereof.

The President ruled that the Assembly could discuss the amendment which was perfectly in order.

The Home Member referred to Santhal Parganas and paid a handsome tribute to the services of Augustus Cleveland who at the age of 29 turned the dangerous border into a district with peace and prosperity as was described on his memorial. Cleveland was one who, without bloodshed or terror of authority, employed only means of conciliation and conquered the entire population of Santhal Parganas and brought them to appreciate the arts of civilised life. After the death of Cleveland, the administration there was conducted much on the lines laid down by him. What struck one most was how greatly the administration in this part depended on particular officers stationed there.

The Home Member, continuing, said that the Santhals have very strong indigenous system of village organisation and headmen were still powerful. High middle class Hindus were only 15 per cent of the population, the rest

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being low class Hindus. While Santhals were quite happy, it seemed to him that this resolution has been brought up in the interest of emigrants who would or could not get lands in these Parganas as they did in other administered districts. Sir Alexander Muddiman added that the fact was historically proved that whenever it was attempted to introduce ordinary law, there was unrest among Santhals. It was so in 1855 and in 1871 and there would be unrest again to-morrow if they affected the landlord of the Parganas to the detriment of original inhabitants.

Mr. Srinivasa Iyengar, supporting the motion, expressed his surprise that even after three quarters of a century of British rule, the people were held in Arcadian simplicity. If it was a backward tract, then it was monstrous to suggest after the lapse of so many decades that people should continue to remain what they were. To imagine that by bringing any area under the regulation, disturbances would arise was a very sad commentary on the system of British rule. Did the British Government want to keep these richly endowed tracts deliberately as backward tracts, in order to show that India was a land of different levels? "Egregious failure" would be writ large on the forehead of the existing system by imperial posterity.

Dr. Moonji, supporting the motion, explained the defects in criminal law and asked whether these laws contributed to the good of the people and what harm there would be if they were changed on the lines of the law in the rest of India. Much had been said of the administration by good officers. If the whole of India had been governed by good officers like, for instance, Sir Alexander Muddiman who was a very good man (loud laughter), there would perhaps have been no need for the Assembly and Councils. The people of Bengal have been so much accustomed to terrorism that they would not in the least mind terrorism for Santhalese if there was introduced in their administration.

Sir Purushottamdas Thakurdas said the days of securing peaceful, permanent domination of British rule were past and the ideal of officers of Government should be to progress towards making self-respected and contented citizens. The Home Member's speech was a confession of failure of the British Government. He would ask whether the policy of keeping out Indians from Santhals was the same policy that was being adopted against Europeans. He told Mr. Shannarayan Singh that he would rather not develop coal mines than deprive the Santhalese of the chance of progress for that reason. It was the clear duty of the House to vote for the resolution.

Mr. Donovan was cheered as he rose to intervene. He said that personal experience of the Parganas was on the official benches. He for one knew the people in the western districts of Bengal Presidency during the last twelve years. They were a hard-working, sturdy race doing harvesting for zamindars and landlords in Bengal districts but the Santhalese had never been able to hold themselves against these people. The mover of the resolution, it appeared, wanted reform in administration not so much for the Santhalese but for another race of pleaders; for, who did not discern the anguish in his mind and in his face when Mr. Gangauanda Sinha deplored the paucity of pleaders?

Mr. Gangauanda Sinha: What I said was that it was because of the defects in the laws that the people were not obtaining justice.

Mr. Donovan: What is the good of having pleaders or engaging pleaders when the average annual produce per head was nine maunds?

Mr. Rangaswami Iyengar: What is the good of the Anglo-Indian Nawab?

Mr. Amarnath Dutt: Save him from the spleen being ruptured.

Mr. Rangaswami: What good is justice to the poor man?

Mr. Donovan: Only the man who could engage a pleader could get justice as against a man who could not.

Mr. Rangaswami: Hardly a compliment to you, gentlemen.

Mr. Donovan: In my view there should be more special laws.

Mr. Rangaswami: Martial Law and no damned nonsense.

Mr. Donovan: The people in Santhal Parganas are guileless innocents under the mercies of money-lenders. The only way you can help the Santhalese is by Co-operative Credit Society movement. The mover will have an opportunity to show his practical sympathy for Santhalese on the 7th March when the Currency Bill comes up.

Dewan Chamanlal said as he heard Mr. Donovan, he felt tempted to collect all handkerchiefs on Swarajist benches and run to wash the tears flowing on his cheeks from the feeling for the Santhalese. (Laughter). A pleader could enter the Parganas even now to argue cases of value of over Rs. 1,000.

Mr. Donovan: How many of the Santhalese possess Rs. 1,000?

Mr. Chamanlal: If they don't, it is because of your damnable system of administration. As for the system of slavery which you complain exists there, what have you been doing all these years of paternal Government? Mr. Chamanlal next quoted a case where the Magistrate remarked that the son who inherited father's property should also be punished for the offence committed by the father.

Lala Lajpat Rai did not mind Mr. Donovan's speech, but was surprised to hear arguments from a seasoned statesman like the Home Member. If the British system of administration could not be extended to Santhals, then the British could clear out of the Parganas bag and baggage and leave those people to their own system of Government.

The Lala asked why one policy was applied to Indians taking lands in Parganas while tracts were cleared for plantation and other purposes when the European wanted them, and the native of the land was turned out? (Hear, hear.) If the Home Member believed in his arguments, why did he not extend to the frontier Council Government? People of the frontier were also backward, brave, simple and dreaded money-lenders, but in this case it was imperial purpose that was to be served. Indeed, the official benches, arguments appeared to him nonsensical. If the Santhalese had not the right of occupancy, then the remedy was change of law in Bengal but not keeping the Santhalese backward. The arguments used were those that appealed to all despots.

Mr. Joshi said that he was neither a lawyer nor a money-lender. Therefore his desire for the Santhalese being given civilised form of Government was not influenced by any professional considerations. It was said that the Santhalese were kept under special regulations because the majority of them were uneducated, that it was intended to keep them away from the clutches of money-lenders, that outsiders would dispossess them of their land and that they were addicted to the use of liquor. He asked whether

the Government had taken any steps to remedy any of these state of affairs. Why did not the Government educate them, bring special laws to eradicate the drink evil or pass laws to save the people from money-lenders and stop encroachments on their land? What was the good of using these arguments when the object was suppression? Under the present circumstances, it was only fair that the Santhalise be given the ordinary form of Government.

Mr. ANEY pleaded for the inclusion of Sambalpur under civilised laws. He could not find any justification for the exclusion of this district when Mundla which stood on a par with Sambalpur was included in the C. P.

Kumar Ganganand SINHA, replying to the debate, quoted from the speech of the Hindu Minister, Bihar and Orissa Government, who said that the peculiarity of the position lay in that the law applied not to men but to land. The unanimous feeling in Bihar could be judged from the fact that the entire non-official element of the Bihar Council including the ministers solidly had voted for the proposition he had advocated.

The House then divided and by 50 to 40 votes passed the resolution as amended by Mr. B. Das for bringing about the withdrawal of special laws from Chota Nagpur Division, Districts of Angul, Sambalpur and Santal Parganas.

Enquiry into Indian Banking.

Mr. S. N. HAJI next moved for a commission consisting of a majority of Indian members with an Indian chairman to examine the position of Banking institutions, facilities and conditions in India and make recommendations for their improvement and expansion with particular reference to provision in adequate appropriate form of capital or finance necessary for the development of industries and agriculture in India. Mr. Haji, at the outset, explained that his resolution was more or less in identical terms with that passed by the Indian Industrial and Commercial Congress in Christmas last at Calcutta. His idea was not to restrict the scope of the Commission to industrial and commercial spheres only. He was prepared to include co-operative bank as well. Want of communication between capital and industries of the country had been so remarkable that it was drawn attention to at almost every Industrial Conference. Resolutions moved by Sir B. N. Mitra in 1919 in the Imperial Council and Prof. Kale in 1923 in the Council of State were practically agreed to by the Government, but no committee was appointed. The matter was, however, raised by the External Capital Committee which had now strongly pleaded for an all-India survey into the banking conditions after ascertaining the opinions of the local Government and publicists. These opinions having been received and published a few days ago, now was the time for instituting an inquiry. If further proof was needed for this enquiry, there was the report of Hilton Young Commission which had said that recommendation regarding Reserve Bank would be fruitful and the super-structure of the scheme lasting only if there was proper foundation laid for banking throughout India. But what was the position? India could boast of only 315 banks, while Australia had 2,000, Canada 4,000, Japan 6,000 and United Kingdom 9,000 and the United States 35,000. The number of exchange banks in India had increased during the last ten years from 11 to 18 dealing now with 71 crores of rupees while joint stock companies handled deposits of only 52 crores. Moreover, there was hardly any industrial bank worth the name. The indigenous bankers had been ignored by the Government and the indigenous banker was the one banking asset in this

country, to quote the language of the External Capital Committee. Some scheme should be devised to co-ordinate the activities of indigenous bankers.

Concluding, Mr. Haji reiterated the language of the resolution for a Commission consisting of an Indian majority with an Indian chairman in order that the out-look of the commission might be national, although the Government could appoint experts from England or any other country to help them.

Mr. V. K. A. IYENGAR, an official of the Finance department, who was the Joint Secretary to the Currency Commission, quoted from the opinion of an expert witness before the Committee, that a Central bank was the best means of establishing a money market and without it a money market could not be properly developed. This was his reply to those who wanted banking facilities to precede the Reserve Bank. The American crisis of 1908 in this respect was an eye-opener. When he was gazing from the corridors of the train at the lovely fields of France, the President of the Commission, on being asked what he was thinking of, replied that if India would have what his Commission was giving them, their labours would be a better land to live in. The Reserve Bank Bill introduced recently was the fight of the Commission. This bank would get into touch with banking and co-ordinate policy in regard to control. The Government of India were also collecting statistics of various indigenous banks in India. The Imperial Bank had had to be given inducement to continue banking facilities. It would like to know where it stood in relation to the Reserve Bank and the Indian tax-payer. The Government had already taken the best course in the interest of India by moving for the establishment of the Reserve Bank which would help to develop Indian banking facilities. The resolution of the mover was thus, to borrow Sir Purshothamdas's phrase, suggesting a most unnatural course.

Mr. Vidyasagar PANDYA wanted not a packed commission like the Hilton Young Commission which had to be boycotted by Southern India—a commission which was concerned more with how Europe would be benefited. He wanted first of all that the Government should change its heart in the matter of appointing commissions because invariably these have been very unsatisfactory. Concluding Mr. Pandya bitterly complained against the Madras Government in giving reply to the request of the Indian Bank for being included among the list of approved banks for investment of funds by local bodies.

Sir Basil BLACKETT admitted the importance of the subject of banking, but there was already the Agricultural Commission covering a portion of the ground of survey. It was impossible for the Government to create banking habit in the people but it was growing and if the habit could grow further then the Government could hope to some extent in improving banking facilities: but the Government of India during the last few years had not been idle in the matter. They had given an immense fillip by war loans to increase the habit of investment and after the war there had been loans raised which were subscribed by the people, all for productive purposes such as railways and irrigation. Moreover, the Government had increased the popularity of Postal Savings banks and cash certificates with the result that there had been a quiet increase in banking habit among the people. The reserve bank would complete the chain of connection between

local bankers and the apex bank. If anything could be done in the way of giving additional liquidity to the resources of these bankers and increasing through them the habit of depositing, then very considerable advance might be made.

On the question of banking education the proposal for an Indian institute of bankers which had been before the country for two years was very nearly an accomplished fact. The British Institute of Bankers had been giving advice and assistance in the matter. The Government were following the recommendation of the External Capital Committee in the matter of changes in the Negotiable Instruments Act. He agreed with the mover that there must be an enquiry but the question was whether it should be by experts or by a small expert committee or by non-experts. It was too early at this moment to appoint an enquiry committee for the Agricultural Commission was already engaged in the investigation of facilities for agricultural banking and such like matters. It was hoped that the Reserve Bank would, through Co-operative Banks, use its influence for advancing agriculturists.

Sir Basil Blackett, concluding, defined the Government's position by remarking that when the Reserve Bank had been brought into existence and the Linlithgow report was available, the Government would establish a searching enquiry into the banking facilities of India and the best means of improving them. He rather doubted whether the House would like to commit itself to the demand for a Royal Commission at this particular moment.

Sir Purshothamdas THAKURDAS congratulated Mr. Iyengar on his maiden speech but remarked that if Sir Basil charged Mr. Pandya of advertising his Indian Bank, Mr. Iyengar had given a little publicity to what was near to the heart of the Finance Member (Laughter). Mr. Iyengar had innocently misquoted the Governor's strong evidence about the development of money market. The reference was for creating a bill market for the Reserve Bank. He wished the Government had done something to bring India into line with other countries. The present banking facilities did not touch the fringe of the masses of India who were served by great banking communities of Marwaris of Rajputana, Shikaris of Sind and Chetties of South India. He regretted Dr. Hyder's wish to see these indigenous bankers diminish. Rather would the speaker advocate that indigenous banking be recognised and healthy check provided over it by giving these bankers facilities so that they charged 7 per cent. The Finance Member need not wait for either the report of the Linlithgow Commission or the Reserve Bank Scheme to initiate enquiry for this purpose.

Further discussion was then adjourned and the House rose.

The Steel Protection Bill.

On the 14TH FEBRUARY Sir Charles INNES formally moved the consideration of the Steel Bill as amended by the Select Committee. He had kept his promise of letting the Select Committee discuss the whole Bill in its broadest aspect.

The Commerce Member repeated the assurance on the floor of the House which he had given to Mr. Jinnah in the Select Committee regarding the points mentioned in Mr. Jinnah's minute attached to the report regarding wagons and heavy rails.

Mr. Jamnadas MEHTA moved recommittal of the Bill to a Select Committee. He said that the majority report of the Select Committee was really a minority report, (Voice : Question) because the speaker was held up at the Railway Standing Finance Committee. The Select Committee had failed to take notice of the emphatic opinion of this house against imperial preference. It was true that there was imperial preference all round. Occupants of the benches opposite would not be there but for this preference (laughter) and India was being used as a tool to enslave all countries of the world. This preference was without the consent of the legislature. They could not willingly be a party to this preference. The Tariff Board's proposal, he maintained, was not a sound economic proposition nor did it give adequate protection to the industry. The recommendation, moreover, according to his reading of the report, was based on most speculative plans and would for the first four years be a precarious one. The Tata Company would not be a paying proposition. This policy of just keeping above water was against the policy of generous handling which would bring about internal competition.

Mr. Jamnadas Mehta's third and conclusive objection was that the Tariff Board had gone outside its scope in suggesting duty on continental steel which two-thirds of India used and which Tatas did not at all compete with. Thus without the Tatas benefitting by a rupee users of continental steel would pay forty lakhs of extra cost merely to benefit British steel. The Bill was, therefore, suspicious enough to be sent back to the Select Committee. He advocated the adoption of a scheme of basic duty and bounty which would equally be effective but cheaper and less burdensome. They would under his proposal save the consumer 40 lakhs of rupees by paying 25 lakhs in respect of bounties. This principle of supplementary bounties was proposed deliberately by the Tariff Board themselves. Foreign import of steel was seven lakhs of tons a year, the Tata's produce being five lakhs of tons a year. The Government would get 65 lakhs extra-revenue from imported steel out of which 24 lakhs bounties could be paid easily. On the other hand, merely to benefit British steel and raise additional revenue, the Government would impose 40 lakhs burden on the consumer and also pocket 65 lakhs return from the proposed duty. Why increase by 105 lakhs the Government revenue when production to the Tatas could be more cheaply given by the system of bounty. He read telegrams and resolutions from some parts of the country and from independent sources contesting the Tariff Board's contention against the reliability of continental steel and affirming that exclusion of continental steel would adversely affect the consumer and petty trade and particularly referred to the opinion of Mr. Dogrej that continental steel was reliable and cheaper.

Mr. Shanmukham CHETTI acknowledged the help of the Commerce Member in supplying material facts and figures. He said the policy hitherto pursued had been justified by results. No less than 200 lakhs had been paid in the form of bounty alone. Time had come to take a comprehensive review of the situation. He maintained that all the six alternatives discussed by the Tariff Board assured adequate protection and the difference lay only in the incidence of burden proposed by various schemes. If the Board's scheme was not Imperial preference, why did the Board go out of its way to rebut it. His knowledge of feeling expressed at the Empire Parliamentary Conference in Australia convinced him that the fiscal policy

of neither Australia nor any other dominion was based on Empire. The difference between his scheme and the Government's was that while the former would protect Indian steel against all foreign competitors, the latter gave protection also to British steel against continental steel. It was no use trying to tell the House that Imperial preference was not proposed as it had been deliberately provided that under no circumstances for the next seven years was duty on British steel to be greater than the duty imposed on continental steel. Supposing the position reversed and the continental steel became costly, then this would leave no alternative to cover that development. This was definitely British preference policy. Mr. Chetti finally declared that though he had held that the policy of weighted average proposed by the minority was the best, Mr. Jamnadas Mehta had made out a splendid case for reconsideration by the Select Committee. He had no doubt that the steel industry would develop into a great national asset.

Mr. Arthur MOORE supported the motion for recommitment of the Bill to a Steel Committee. He regarded the Tariff as an insurance against war and must be protected. It was significant that in South Africa the Steel Bill was in charge of the Defence Minister. They wanted to protect but also wanted to know the cost of protection. He was surprised that every time the Tariff Board reported it recommended a new scheme. In 1924, they proposed a system of weighted average and in 1925 a bounty scheme. The speaker favoured keeping on to the bounty scheme or going back to 1924 system of weighted average. He was surprised that the Tariff Board should have argued that considerations of public safety required the exclusion of soft steel. This was the business of engineers and customers and not of the Tariff Board or of the Government. Such arguments should not be used in a scientific examination of the subject. If the Tariff Board consisting of Indian personnel had recommended imperial preference, he would have welcomed it: but they were told that it was a question of cold economics. Had any consideration been paid to the growing stability of the mark and the franc and other continental currencies? When the customs authority imposed duty on the basis of the country of origin, it was preference, not protection. (Hear; hear). "We cannot surreptitiously do this. I am convinced that India and Great Britain, at any rate India and Lancashire, can ultimately come to an agreement against unfair foreign competition. For the sake of this puny and equivocal proposal, let us not interfere with that prospect. I would ask the Government to be mindful of the future and think of the issue before us to-day in that light."

Mr. G. D. BIRLA congratulated Sir Charles Innes in being able to capture the leader of the Independent Party in this matter. England also manufactured non-standard steel and yet that product, because it was British, was recommended for a lower duty. On continental non-standard steel, the consumer was compelled to pay a larger price. Thus, even on economic grounds, the Bill was very unsatisfactory. Semi-finished continental articles had already to be used by Britishers and Sir Charles Innes, in a note supplied to the Select Committee, had admitted the danger and that rejection had found an outlet in preferential markets of the United Kingdom. By making India one of such markets, they would make Britishers dump.

Sir Charles INNES was applauded by official benches as he rose to reply. He said that the issue really was whether the Bill should be sent back

to a Select Committee. Mr. Chetti's minute was temperate, but that of Mr. Jamnadas' exuberant. The reason was that the latter was not present at the Committee's meeting. Both Mr. Chetti and Mr. Birla were not enthusiastic about Mr. Jamnadas's proposal. When Mr. Chetti's amendment came before the House, they could discuss it on merits in the light of criterion laid down by the House that a scheme of protection should be consistent with the well-being of India. Touching Mr. Jamnadas's arguments, the Commerce Member admitted that the Board's scheme was speculative; but it had to be so in view of the fact that it had to take a long seven years' view of the situation so that fresh capital may be attracted into the industry. The Tariff Board was a highly expert body and the estimates produced by its eight months' enquiry were the best that could be had and Mr. Jamnadas, even though he calls them speculative, had used them. As for the precarious position of the Tatas, the Board had made a greater examination than Mr. Jamnadas.

Proceeding, Sir Charles Innes explained that when bounty was given to the Tatas for two years, it was to save that company. It was given to only one company now. However, they were trying to work out not for two years, but for seven years and therefore bounties would be an unknown liability while the source of income to pay for bounty would certainly go on drying up. Secondly, there would be definite discouragement to fresh capital coming into the industry under the scheme of bounties. Then again Mr. Jamnadas proposed excessive protection of five rupees per ton while, under the Tariff Board's scheme, the Tatas could vary their production according to the requirements of the market.

Concluding, Sir Charles Innes put it to the House whether it was not impossible for fourteen to fifteen amateurs now to sit down and try to work out details of the bounty scheme. They would have to refer the matter back to the Tariff Board who would raise numerous objections and if the Government proceeded with Mr. Jamnadas's scheme it would have no expert authority behind it. Then again, the state of business was congested and there would be confusion if they were found on the 31st March to be without legislation to follow that already on the Statute Book. "We have as the House is aware done our best to make effective the policy of protection of this industry. I would urge the House to be most careful to voting for a proposal which gravely imperils the future of the industry."

Further discussion was then adjourned till Wednesday the 16th February.

Indian Registration Act Amendment.

Next-day, the 15TH FEBRUARY, the House met to transact non-official business. After questions Mr. C. Duraiswami Iyengar moved that the Bill further to amend the Indian Registration Act 1908 be referred to a Select Committee with instructions to report on or before the 1st March 1927.

Mr. Dunnett pointed out certain legal and administrative difficulties which will arise if the principle of the Bill was accepted.

Sir Hari Singh Gour moved the circulation of the Bill to elicit opinion to which the House agreed.

Indian Succession Act Amendment.

Maulvi Mahomed Yakub next moved that the Indian Succession Act Amendment Bill be referred to a Select Committee. The object of the

Bill is to provide whether certificate can be applied for or granted in respect portion of a debt. It is intended to give effect to the Calcutta High Court's view.

Sir Alexander Muddiman, in moving for circulation of the Bill to elicit opinion, said this was not an urgent matter. There were conflicting decisions which must be given further time for consideration by the public.

Mr. Yaqub agreed to the circulation which was agreed by the House.

Societies Registration Act.

Mr. Kelkar moved for the second reading of the Bill amending the Societies Registration Act with a view to include political bodies and associations.

Mr. Kelkar paid a compliment to the usefulness of the Act and instanced its narrow operation by pointing out that the Servants of India Society was refused registration not in one but in two provinces. If Mr. Gokhale had started a society of domestic servants and training for governesses, the society would have been admissible for registration, but because Gokhale wanted the society to train a future governor (laughter) it could not be registered.

Dr. Gour, while agreeing with the object of the Bill, found some technical flaw caused by the ambiguity of the expression "public utility" and moved for a Select Committee.

The Home Member assured he was very anxious for dissemination of political education and desired to help the societies to do that. The object of the Bill, however, he thought, was to help missionary bodies like the Servants of India and others to have a corporate existence to hold property and have other advantages of incorporation. This, he thought, could be secured even now under the Indian Companies Act 1913. Had this been tried? he asked.

Pandit Hirdaynath Kunzru said they had not registered the Servants of India Society under the Companies Act, but it was registered under the Charitable Societies Act. The Home Member agreed to the principle of the Bill. Mr. Kelkar expressed his inability to dispel Dr. Gour's dense ignorance. No self-respecting political body would get itself registered under the Companies Act.

The Home Member, replying, said that he was surprised that any slur should be held to attach to registration under the Companies Act. The European Association and the Religious Catholic Association of South India were, for instance, registered under the Companies Act and they were respectable bodies. Mr. Kelkar's speech had only confirmed his view that instead of looking to the antiquated Societies Registration Act, the better alternative was to register under the Companies Act. He would not, however, oppose the Bill but if he was told by legal advisers that the provisions of the Bill were unnecessary he would take up a different attitude in the revising chamber.

Dr. Gour's motion for a Select Committee was defeated and the motion for second reading was agreed to. When clause 2 was put to vote, Mr. Srinivasa Iyengar expressed his opinion that political associations and societies could not be registered under the Companies Act, that they would prefer a compendious provision of the Societies Act to the elaborate machinery of the Companies Act. A limited company must have a share capital which these associations could not be expected to have. Moreover, there would be complication in their having to submit accounts and having

them supervised. Personally, the speaker was opposed to any political association being registered under the present system of Government but those who wanted to be registered should be permitted by law.

Mr. Kelkar's Bill was then passed without amendment. This is the first non-official Bill to be passed by the third Assembly and that without dissent.

Land Acquisition Act Amendment.

Mr. Kelkar also moved for the circulation of the Bill amending Land Acquisition Act 1894. It was intended, he said, to minimise iniquity and consequent discontent which marked the operation of the Land Acquisition Act. He wanted the Assembly merely to bless the measure so that opinions of interested persons and public bodies might be ascertained.

The motion for circulation was carried.

Criminal Law Amendment Act.

Sir Hari Singh Gour moved the consideration of his bill to amend and repeal the Criminal Law Amendment Act, 1908. He recalled the history of the case. It was Mr. Patel now in the chair who first unsuccessfully moved the old Imperial Council and was followed by Mr. Sastri in the Council of State in 1921. Sir William Vincent, then in accepting the motion, stated that by that Government prestige would enhance and not go down. This, Sir William added, was the effective reply to the critics that the Reforms were sham. He hoped that the present Home Member would reciprocate those feelings. The Repressive Laws Committee's report was then accepted by the Government en bloc but effect was not given to them fully. Both Mr. Patel and the mover brought forward motions repealing the Bills which, though passed by this House, were rejected by the Upper Chamber but they were not daunted and he had come to the new Assembly to make it express its view on the subject. Any local Government could declare any association unlawful and there was no judicial check and a person who was a member of that association would be simply handcuffed and sentenced. "What country, I ask, subordinates its judiciary to the Executive in the manner it is done by part 2 of the Criminal Law Amendment Act of 1908?" His bill was a diluted measure. It did not proposed total repeal and met all reasonable objections of the Government. It gave the right of appeal to persons convicted under this special law. It did not modify the executive powers relating to non-British subjects and merely extended protection of the Habeas Corpus Act to British subjects.

After a few members had spoken the House adjourned.

* The Steel Protection Bill.

Next-day, the 16TH FEBRUARY, after interpellations, the adjourned debate on the Steel Bill was resumed. Mr. JINNAH who spoke first referred to Mr. Birla's remarks on Monday and said he would not take notice of them. The question before them was if really, as alleged by Mr. Jammadas Mehta and Shanmukham Chetti, the Bill was imperial preference. If it was and if it was against the interests of India, the speaker would be the first to oppose it; but it was not imperial preference. To his mind, imperial preference was imposition of unfairly lower duties on British steel so as to reduce British prices in India. Here it was nothing of the kind, Mr. Jinnah then read the report of the Joint Committee of Parliament on the Government of India Bill and the conditions laid down for the fiscal policy of India by that body which had said that no scheme of imperial preference ought to be adopted which has not behind it

the sanction of the legislature. This, the speaker thought, ought to be made clear by the Government. Continuing, Mr. Jinnah referred to Mr. Mehta's criticism that the measure was speculative in its tendency and remarked that every hypothetical proposition was such. Was not Mr. Jinnah's amendment suggesting something equally speculative proposition? The truth was that they are embarrassed as it smacked of British imperial preference. He would prove that the so-called preference to British steel was in the interests of the Indian consumer, British steel was now available in India at Rs. 120 a ton as against Rs. 111, the price of continental steel. The latter was due to fluctuations in exchange and severe dumping in India. That was unfair. If they did not impose additional duty on British steel it was not for favouring British manufactures but intended to save India. If they imposed heavier duties on British steel, British steel prices in India would be sold at higher prices which the Indian consumer had to pay. That would mean Rs. 48 lakhs. Moreover, the Tatas themselves who wanted protection only to steel at 12 would further raise their price to the detriment of India, but as soon as continental disadvantages disappeared additional duties on continental manufactures would be withdrawn. If this is the interest of India, said Mr. Jinnah, are you going to oppose it merely because this is preference for the British?

Pandit Motilal : Yes. It is the thin end of the wedge.

Mr. Jinnah : I will have even the thin end of the wedge if it is in my interest. If it is to oppose even when in the economic interest of India, then I stand here alone to support the scheme and you go into the other lobby.

Continuing, Mr. Jinnah said his first point was that 90 per cent of the continental steel that came into India was non-standard and he quoted figures to prove it. Thus on the principle of different qualities they would be justified in imposing differential duties. Secondly, would they not impose duty if it was the case of dumping and unfair competition? The figures showed that continental steel which was dumping had doubled within the last four years. Continuing, Mr. Jinnah said the bounty scheme was condemned because with the growth of industry imports would decrease and with it protective revenue would decrease while bounties would increase. (At this stage Mr. Jinnah was reminded by the Chair that he had already taken an hour and a half and at this rate if dozen other members spoke there was no chance of the Steel Bill being passed by the 31st March.) Mr. Jinnah explained the peculiar position in which he was, for he had to defend the position taken by him against a majority of non-official opinion expressed against the Tariff Board's proposal. A great deal of misapprehension on the subject had to be removed. He agreed that Sir Charles Innes should make it clear that there was no question of imperial preference at all and that the differences between the two scales were due to differences in quality and a desire to secure minimum protection with the minimum burden on the consumer. Every protection must bring additional revenue and it must go into the Government pockets. Where else would it go? He did not want to impute motives but Mr. Birla's objections showed to the speaker that the cry was for the middleman's profit which would be circumscribed under the Tariff Board's scheme. Recommittal would produce no result as the Government could never act without referring the matter back to the Tariff Board if any other scheme was to be adopted. In any case, the House was to decide and instead of wasting time let them decide between the three schemes before them because even if the Select Committee made Mr. Chetti come with a majority, Sir Charles Innes would come up with his amendments.

Pandit Motilal NEHRU said that he would confine his remarks to that part of Mr. Jinnah's speech which related to the question of imperial preference. He said : " If it is true that the scheme of the bill involves the principle of imperial preference or of the principle of conceding preference to Britain, then I may say here and at once that whatever the developments of the bill, whatever the boon to the Tatas, I have absolutely no sympathy with the bill. So long as Britain is favoured against any other country of the world, I say it is preference. Now it is only a question of Britain being entitled to better terms on account of supply of better goods, but what would happen when she sends out cheaper goods? By this process she would exclude other countries from Indian markets. Is not this the thin end of the wedge?" He had no faith in the Government statement that the bill did not amount to imperial preference. He was as a rule a great disbeliever of assurances from official benches. He agreed that additional duties were imposed with a view to protect the Tatas, but the bill also imposed a discriminating duty on continental goods in the interests of Great Britain alone. He instance the case of Madras and Bangoon where the Tatas' goods had not reached and would not reach for a long time to come where under this bill British goods alone were to benefit. There,

fore, the bill would operate at least in some great ports of India as protection to British goods and would have nothing to do with the protection of the Tata. If once the principle of imperial preference or of preference to Britain was recognised, it would be impossible to get rid of it. He, therefore, suggested that the bill be recommitted to the Select Committee for consideration.

Sir B. N. MITRA emphatically declared that the House was not being asked to vote on imperial preference. They had sufficient data before them to come to a definite decision. His reply to Pandit Motilal Nehrū was that the Tatas would have gradual access to the ports where now they did not compete with continental steel. Sir Charles Innes had not uttered a threat; but having a special interest in the industry, the Commerce Member had spoken the language of a plaintiff. The speaker had visited Jamshedpur and had not found labourers so well looked after in any other industrial centres as at Jamshedpur. He warned the House against any action which would break up this happy colony.

Mr. JOSHI said Mr. Jinnah had thundered for long. There was in it more sound and fury than arguments and the dust raised had clouded the issue. He opposed the Bill as he did not want the Government of India to have any financial benefit out of the scheme of protection. He urged the nationalisation of the industry or failing that payment of a bounty from increased income-tax; but the House was not democratic enough to entertain them. He would least of all have preferred a scheme of combination of duties and bounties. Labour at Jamshedpur was not as happy as Sir B. N. Mitra had painted it. Housing conditions were still backward. He was for recommitment.

Mr. M. R. JAYAKAR confessed that the Bill was not imperial preference in the sense that the same quality of British steel as the continental was preferred; but there were two or three elements which gave away Mr. Jinnah's case. For instance, the Tariff Board had taken it for granted that British steel prices were unalterable, while continental prices were always alterable. By what process of sifting of evidence, this conclusion was arrived at he could not say. Then there was cheap mild steel which was not supplied by the Tatas and still even that commodity was subjected to this imposition. In other words, they said to the consumer:—"If you want continental steel you shall pay a higher price." Continuing, Mr. Jayakar averred that this dictum was not only penalising the Indian consumer, but was also strangling many an infant industry depending for its raw material on the continent. Proceeding, Mr. Jayakar referred to Mr. Perin's interview to a Bombay paper where he made no secret of the fact that this Bill was nothing short of imperial preference. Mr. Perin, said Mr. Jayakar, was a great engineer of undoubted ability and experience and his expert view could not be rebutted even by the opposition benches.

Proceeding, Mr. Jayakar said that he could understand the people asking for imperial preference in Empire interest; but then it was a case of "Heads you win and tails we lose." The Empire burdens were shoved on India's head, but privileges were denied. It was for respectful members of the Empire to put forward this plea and not for India. Mr. Jayakar concluded with a reference to the numerous telegrams and representations from affected merchants and consumers to the Commerce Department of the Government of India protesting against this unfair preference shown to British goods to the detriment of Indian consumers.

Motion For Recommittal Lost.

It was now 4 o'clock and the House accepted closure of the debate and dividing on Mr. Jinnah's motion to recommit the Bill to a Select Committee rejected the motion by 61 votes against 50 amidst official applause.

Bill Taken into Consideration.

The House then took the Bill as reported by the Select Committee into consideration.

Mr. Ramanbham CHETTI now moved his amendment and replied very briefly to the salient points by Mr. Jinnah. He said the scheme propounded in the minority report was a modified system of protection and whatever disadvantage there was in it, it was more than counter-balanced by the lower quality of continental steel. They must arrange their tariff in such a way as not to penalise the consumer of continental steel. Under the majority scheme consumers of continental steel would be under a distinct advantage. The

Government Bill was seeking to give protection not to Indian steel but to British manufactured steel.

Sir Charles INNES, in replying on behalf of the Government, said he was not asking the House to accept a general scheme of imperial preference nor anything which was against the economic interest of India; but he was only asking the House to accept the recommendation of the Tariff Board, which the Government was convinced was in the best interests of India. He saw the force of the argument that this would be discriminative protection; but there would be no serious difficulty in making discrimination. This would give Indian steel adequate protection and help the economic well-being of India. Proceeding, Sir Charles Innes said the Assembly would unnecessarily hamper the development of industries if they unnecessarily raised the value of standard steel. India did not infringe in any way the most favoured nations treatment if she showed preference to British steel but continental steel was non-standard steel and was not safe to be used on bridges. So, excepting the fact that the Government scheme made differentiation as regards the origin of produce, there was no other objection. He pointed out that by lowering the duty on British steel, they would not bring one single ton of British steel more than at present. On the other hand, they would be indirectly encouraging continental steel to come in at a lower rate. The Government scheme was more favourable to encouraging the Tata's' industry and more favourable to the consumer than the scheme proposed by Mr. Chetti.

Further discussion was adjourned till Friday the 16th February.

The Railway Budget—16th February 1927.

On this day Sir Charles Innes presented the third Railway budget under the scheme of separation of Railway budget. This was also his last budget. He had the ear of the House for half an hour as he summed up his tale ending with a feeling of sober optimism that estimates for the next year may not be again belied by circumstances beyond human control and that the course of events may be more even. He was applauded by all sides when he resumed his seat.

The following is the speech of Sir Charles Innes, the Railway Member, in introducing the Railway Budget of the Government of India for 1927-28 :—

I rise to present the Railway Budget for 1927-28 and I confess that I do so with a certain sense of embarrassment. For, after having made one farewell speech on the Railway Budget, it is awkward to have to make another. I can only plead that my predicament is not one of my own seeking, and for that reason I feel that I can claim the sympathy of the House.

2. As usual, the Budget which I am presenting is not merely a departmental compilation. In preparing it we have had the assistance of the Standing Finance Committee for Railways, we were handicapped this year by the fact that the Standing Finance Committee for Railways naturally went out of existence when the last Assembly was dissolved, and that this House was not able to elect a new one until January 28th last. Thus, we were not able to spread the examination of the figures over a period of several weeks as was the case last year. But when the Committee was constituted, Mr. Parsons lost no time in placing the Budget before it, and I understand that at considerable sacrifice of personal convenience and by dint of much hard work, for which we owe them grateful thanks, the Committee was able to make a very thorough examination of the Budget. In the Budget papers which will shortly be circulated, Hon. Members will find some changes which I hope they will appreciate. In the first place, we have prepared the statement of railway revenue and expenditure in foor'pacs instead of octavo form. We have made this change because in the Budget debates of last year there was some complaint that the figures could not be studied without an undue strain on the eyes. Secondly, a feature of the Budget papers this year is the provision of maps and diagrams. We have appended to the explanatory memorandum a Railway map of India which will enable the Hon. Members to see at a glance what new lines we propose to construct, and what new lines we propose to survey. Then in the pink books will be found a sketch map of each Railway system showing exactly how we are developing it, how we hope to develop the system. In addition, one book contains a diagram which gives full information as to the gauge of each extension, its length and cost and the progress we hope to make in each of the next 5 years. Our object of course was

enable Hon. Members readily to grasp what our programme is for the extension and development of the Indian Railway system and to see whether we have made provision for particular new lines in which they may be interested.

As this Assembly is a new Assembly some Hon. Members may not be aware of the practice we have established in the last two years. It is the custom now for Hon. Members, when they give notice of motions for reductions, to add a few words to indicate the nature of the subject they wish to bring up for discussion. This procedure is of great assistance to the House generally and to Government Members in particular, and I should be very grateful if it could be repeated this year.

3. Full explanations of the figures in the Budget are given in the Budget Memorandum, in the explanations attached to each of the demands for grants and in the pink books for individual railways. Following my usual custom, therefore, I propose to confine myself to a brief review of the more important figures, and to some account of the more important activities of the Railway Board and the Railway Administrations.

Financial Results of 1925-26.

4. I need not spend time over the actuals of 1925-26. It was a good year for Railways though not as good as 1924-25. In my Budget speech last year, I told the House that we expected to have a net surplus (that is, the gain from commercial lines minus the loss on strategic lines) of 877 lakhs, and that we expected that we should transfer 532 lakhs to General Revenues and 345 lakhs to Railway Reserves. Actually, we did a little better than we anticipated. I will not go into the figures in detail, for they are given in Administration Report for 1925-26. But in the result we transferred 549 lakhs to General Revenues and our Reserves benefited to the extent of 379 lakhs. The return on Budget lines in 1925-26 was 5.31 per cent., and if this figure is not quite so good as in the exceptionally prosperous year of 1924-25, when the return was as high as 5.85 per cent., it is better than any of the other post-war years and better than it was in 1918-14.

Revised Estimate for 1926-27.

5. I am sorry to say that I cannot give as favourable an account of the probable financial results of the current year. We budgeted on commercial lines for gross receipts amounting to 102.68 crores and gross expenditure, including interest charges, of 92.13 crores. That is, we counted on a gain from commercial lines of 10.45 crores and deducting an anticipated loss on strategic lines of 174 lakhs, on a net surplus of Rs. 871 lakhs. On the basis of these figures, we expected not merely to be able to pay our net contribution of 601 lakhs to General Revenues but also to transfer 270 lakhs to our own Reserves. But we now know that our budget figures are not likely to be realised. We now estimate that our gross receipts will be 98.31 crores or 4 and one-fourth crores less than our budget estimate, and that our total charges will be 90.56 crores, or 157 lakhs less than our estimate and that the gain from commercial lines will be 775 lakhs instead of 10.45 crores. The loss on strategic lines is now put at 181 lakhs instead of 174 lakhs, and the final result is that we now expect a net surplus of 534 lakhs instead of 871 lakhs. The net contribution payable under the Convention to General Revenues is, as I have said, 601 lakhs. We expect, therefore, to have to draw on our Reserves to the extent of 7 lakhs to enable us to pay dues to General Revenue. As Clause 4 of the Convention shows, that is the primary purpose for which the Reserves exist.

6. These figures are disappointing, but I confess that I take a philosophical view of them. It seems at first sight a serious matter that we should have to cut 4 and one-fourth crores off our budget estimate of gross receipts, but railway earnings depend so largely on factors outside railway, or rather I should say human, control that we can never be sure that our budget estimates of gross receipts will not be falsified by the course of the season and the state of trade. And this is what has happened in the current year. Up to the end of July, in spite of reductions in passenger fares and coal freights, we were ahead of the earnings of last year. The monsoon seemed promising, and we had hopes of a really good year. The prospects took a turn for the worse, and now we expect our earnings from goods traffic to be worse than our estimate by 2 and half crores and our earnings from passenger traffic to be worse by nearly 1 and half crores. Two Railways, the Eastern Bengal and Assam Bengal Railways, have done better than we expected. The explanation is that they serve areas which have been favoured by an exceptionally abundant jute crop and a good tea crop. For the rest, the failure of gross earnings to come to our expectations is common to all Railways. As usual, we have suffered much from floods. They affected the Bengal-Nagpur Railway, the Great Indian Peninsula Railway and the Bombay Baroda and Central India Railway, but they were

particularly disastrous in Burma. The main line of the Burma Railways was so badly beset that communications could not be restored for several weeks with the result that earnings on this Railway are half a crore below our estimate. Again, the proved unfavourable for the cotton crop. The final estimate for the year is nearly a million bales below last year's figure, and in addition the crop was abnormally late. Our earnings from raw cotton were less by 40 lakhs in the first 8 months of this year than in the corresponding period of last year. Cotton is now moving freely to Bombay, but the effect of the bad start is clearly seen in the figures of the two Bombay Railways, while the earnings of the North Western Railway have been similarly affected by a comparative failure of the crop in the Punjab. Between 1st September and the 30th January 1927, only 26,000 tons of cotton were exported from Karachi compared with 61,000 tons last year. I have thought it worth while to take this one instance of cotton by way of illustration but the drop in our gross earnings especially in goods traffic reflects just the fact that trade has not been as good as we expected. Slackness of trade too has no doubt affected passenger earnings, but it is possible that we were a bit too optimistic in our estimate of the effect of the reductions of fares brought into force last year. We expected the immediate effect to be detrimental to our earnings, and for that reason pitched our estimate of gross receipts 2 crores lower than otherwise we would have done. But now we have to reduce our estimate by a further 187 lakhs. It is not that there has been no increase of passenger traffic, but it has fallen short of our estimate and in spite of the increase in traffic we expect to earn 57 lakhs less from passengers this year than we did in 1925-26. It is too early to assess the effect of the reductions we gave last year in long distance coal freights. Owing to the coal strike in England, the circumstances of the year have been quite abnormal in the matter of coal. At any rate, we have carried more coal and I do not think that we have lost money by the reduction.

7. The drop in earnings is partially counterbalanced by considerable reductions in our working expenses. On commercial lines our revised estimate of working expenses is 1 and three-fourth crores below the budget estimate. On this amount, nearly 1 and half crores is in the cost of operation. Our coal bill in particular should be about half crore less than our estimate, partly of course because of cost at which we can now buy, but also as the result of vigorous measures taken by the Railway Board to secure great economy. The statistics given in Volume II of the Administration Report for 1925-26 show how consumption has decreased relatively to the work done and bear testimony to the effectiveness of the measures taken by the Railway Board.

8. I have said that I take a philosophic view of the disparity between our revised and budget estimate. I go further. I think that the results of the current year illustrate the strength of the position Railways are now in. We have had a comparatively poor year marked by exceptional floods, partial crop failure amounting to scarcity in parts of the country and slackness of trade evidenced by the fact that up to the end of December last our total foreign trade was nearly 50 crores less than in 1925-26 and 60 crores less than in 1924-25. Nevertheless, we hope to earn this year a net return of 4.77 per cent on the capital at charge enabling us to pay our interest charges and to pay all but 7 lakhs of our contribution to General Revenues. It has also to be remembered that the contribution payable this year is based on an exceptional prosperous year and amounts (leaving strategic railways out of account) to the big sum of 760 lakhs. In my view having regard to the inevitable fluctuation in Railway receipts from one year to another these results go far to justify the wisdom of the policy to which we are working.

Budget Estimate for 1927-28.

9. For the year 1927-28, we have adopted a more cautious estimate than last year. We are budgeting for gross receipts from commercial lines amounting to 100.40 crores and for a total expenditure of 91.47 crores. If our expectations are realised, the gain from commercial lines will amount to 8.93 crores and the net gain, after deducting the loss on strategic lines, will be 7.10 crores. Out of this sum, we shall have to pay 548 lakhs to General Revenues that being the net contribution payable on the results of 1925-26, and we hope to strengthen our reserves by 162 lakhs.

10. I do not propose to comment on these estimates at length. The main feature of them is that we put our gross traffic receipts on commercial lines at 99.24 crores or 2 crores more than the revised estimate of the current year, and that we expect to earn these receipts at a working cost of only 8 lakhs or so in excess of the working expenses of this year.

On the whole I should describe these estimates as framed in a spirit of sober optimism,—in the hope that we shall on the whole be free from the misfortunes which have beset us this year, and that trade and traffic will pursue a more even course; and

also in the hope that our continued efforts will result in further economies in our charges. For example, the House will notice that though we should ordinarily have to expect an increase of about 15 lakhs in the cost of administration on account of increments to salaries we are actually budgeting for a reduction of 10 lakhs in the cost. This is because we hope that Agents will be able by improvements in their administrative machinery, to cut down the existing scale of their expenditure by perhaps a quarter of a crore. We cannot of course be certain that we shall be able to get this reduction in full next year, part of which must be occupied in investigating the existing methods and procedure and seeing how they can be improved. But at least we shall do our best to do so. We have also been able to place our contracts for coal at cheaper rates in the current year, and to this and further economies in consumption, we look forward to a reduction of 35 lakhs in our coal bill.

Capital Expenditure.

11. The House will remember that the approved programme for capital expenditure in the current year authorised a total capital expenditure of 34.58 crores. This was the estimate given by the railway administration of the amount which they hoped to spend during the current year on approved works. I explained last year our principles with regard to fixing the capital budget. We do not wish to restrict the execution of sanctioned works nor to hamper in any way the Agents' efforts to carry to completion such works as rapidly as possible, and we accordingly authorised them to spend up to the full amount they thought they could spend during the year. We knew, however, from past experience that their actual expenditure would be very much lower, and we asked the Assembly to provide a sum of only 22 crores in addition to the 4 crores required from the purchase of the Delhi-Umballa-Kalka Railway. The actual expenditure during the current year is now expected to be 37 crores more than was provided for, and we shall place a supplementary demand before this House in due course for the additional funds required to the last few years, as indeed the House has noted on more than one occasion in the Budget debates, there have been considerable lapses in the amounts provided for capital expenditure, and this is the first year in which actual expenditure is likely to approximate closely to our estimate. We must, I think, congratulate the Railway Board on the success of its efforts to attain greater accuracy in estimates and to expedite the execution of sanctioned works. One of the methods adopted deserves a passing mention, for it represents a new and important departure. We are now beginning to make use of private contractors for important railway works. A number of important railway bridges are now being built for us by firms of contractors, the latest example being the rebuilding of the bridge over the Nerbudda on the Great Indian Peninsula Railway main line which was washed away last summer. Another important work which has been entrusted to contractors is the elimination of the Bhore Ghat Reserving station on the Great Indian Peninsula Railway, and we hope that we may shortly be able to devise a system which will allow us to hand over to contracting firms the entire construction of some new lines. Of the total expenditure of 37 crores, just over 4 crores represents the purchase price of the Delhi-Umballa-Kalka Railway. Twenty-one lakhs roughly is the expenditure incurred in taking up new issues of share capital of certain branch line companies in which Government are financially interested in order to replace loan capital by share capital. This method is directly remunerative to us in that it adds to our share of surplus profits or reduces our liability to pay rebates. As regards the balance, the expenditure on new lines is expected to be 6.47 crores, and on open lines 16.32 crores. The former figure represents a lapse of only 9 lakhs on the budget estimate. Progress on some projects has unfortunately been retarded by a variety of causes such as late receipt of imported material and unexpected delays in the acquisition of land, but on others it has been possible to accelerate the rate of expenditure. The principal sufferer has been the Raipur-Parvatipuram line where we now expect to spend less than a fifth of the 125 lakhs provided for the current year. On open lines, expenditure has proceeded at a more rapid pace than we expected when the Budget was framed and our latest anticipation is that the budget estimate will be exceeded by a little over a crore. This however is partly counter-balanced by a reduction of 60 lakhs in our estimate of expenditure from the Depreciation Fund which is a counterpart of the programme of open line works.

12. For the year 1927-28 the total amount of funds asked for by railway administrations is 39.77 crores. As usual we propose to authorise them to spend up to the full amount they have included in their estimate, but we are asking the Assembly only to vote a sum of 25 crores as a whole, which we believe is at present about the limit of the administration's capacity of spending. Of this total of 25 crores, we propose to distribute 7.45

administrations' capacity of spending. Of this total of 25 crores, we propose to distribute 7-62 crores to new lines (as against nearly 15 crores asked for by Agents) and to open line works the balance of 17-38 crores as against roughly 3 and three-fourth crores demanded.

13. The full details of open line works are, as usual, given in the budget memorandum and in the various pink books dealing with the estimates of new railways and I think it unnecessary for me at present to deal with any of the details of these estimates. I need only say that of the total amount of 24-77 crores, which it is proposed to distribute among Agents as desired by them, 19-41 crores are for improving open line facilities. Some amounting roughly to 3 crores each are provided for improvement of track, for remodelling of station yards and for the electrification of lines and stations. The provision for doubling and quadrupling tracks, strengthening of bridges, workshops and stores and station buildings, and staff quarters amounts to about 6 crores. I would specially emphasise the large share that electrification of lines and stations has of the total expenditure. The total provision made is over 8 one-half crores. The Great Indian Peninsula Railway alone accounts for nearly 2 crores of this. The projects included the electrification of the main line from Bombay to Igatpuri and Poona (costing altogether 5 one-half crores) for which a crore is provided in the following year, and the construction of the power house at Kalyan consisting altogether 97 one-half lakhs, for which 40 lakhs is provided in 1937-38. In this connection, I think that it would interest the House if I give them certain figures which I have extracted from a recent report on the Harbour Branch Railway of the Great Indian Peninsula Railway system. The section between Victoria Terminus and Kuria, a distance of 9 one-half miles, was electrified with effect from 5th February 1926. On 3rd February 1926 the electrification of the Mahim Chord, an addition of 3 one-half miles, was completed and the whole of the Harbour Branch Railway was operated by electric service. A comparison between the statistics of January 1926 with those of October 1926 shows that the train miles have increased four times, that passenger traffic has doubled and that earnings have trebled. I may also call attention to the provision of about 2 one-fourth crores made for amenities specially intended for lower class passengers as separate from such general improvements as remodelling and electrification of stations and yards and improved train services from which also they derive benefit in common with others. The special amenities include arrangements for water-supply, the increased provision of waiting-rooms and halls and refreshment rooms and the improvement of booking facilities and sanitary arrangements, but the main item on which expenditure is to be incurred is nearly 1 and three-fourth crores under additions and improvements to lower class carriages. Under additions, the programme for 1927-28 contemplates 636 coaching vehicles and 552 of these are lower class carriages.

New Construction.

14. One of the most interesting parts of the Railway Budget is of course the programme of new construction. Our programme for next year will involve a total expenditure of 142/3 crores in the case of commercial lines, but we have thought it necessary to provide only 7-41 crores. The programme for both commercial and strategic lines is set out in full in the Budget memorandum. It includes 48 lines covering 1,813 miles which are already in progress and 51 new lines extending to 2,827 miles. Thus, our immediate programme covers 4,640 miles. Only 320 miles of new line will be opened in the current year, but next year I hope that we shall see a more substantial return on the money we have spent on new construction in the last two or three years. For we hope to open in 1927-28 nearly 900 miles of new line. And my successor is likely to be more fortunate than I have been in the record of mileage added to the Indian Railway system. I am confident that the House will welcome this development, and will agree that we should press on with the construction of new lines. This is our policy. Each Railway Administration is charged with the duty of exploring every avenue that affords scope for the construction of remunerative lines of a standard suitable to the traffic that may be expected and of keeping in close touch with Local Governments in this important matter. In order to afford every facility for the achievement of this object, we do not propose to adhere to one rigid standard of construction. Obviously a standard that is suitable for a main line carrying heavy traffic may be needlessly expensive for a feeder line serving a comparatively small agricultural tract, and the Railway Board have now laid down varying standards of construction in order that branch lines and extensions may be built to whatever standard seems most suitable to the area to be served.

Rates and Fares.

15. I am sorry that I am not in the happy position of announcing any further reduction of rates and fares, but after what I have said earlier in my speech the House

cannot have any expectation of booms of this kind. But it must not be thought that we have made merely the reductions in passengers' fares announced last year. On the contrary, at the beginning of the current year we expressly invited Agents carefully to review their passenger fares in the light of statistics and we told them that we should be prepared favourably to consider further reductions. As the result of this letter, the Agents of the East Indian, North Western and South Indian Railways felt justified in proposing these further reductions and they have already been brought into force in one case from 1st January last and in the other two cases from 1st February. The reductions on the two State-managed lines are substantial, and third class passenger fares for ordinary trains are now down to 2 pice per mile for distances over 300 miles. The House may think that we have been unduly bold in sanctioning these reductions in view of the fact that the reductions previously sanctioned have not yet given any material stimulus to traffic. But the recommendations of the Agents were based on their considered opinion that ultimately it would pay them to bring down fares to the level suggested and we decided to take the risk. I would here emphasise the fact that it is only the existence for our Railway Reserves that enables us to make experiments of this kind. For we have to remember that every year we are adding a sum of upwards of twenty crores to our capital at charge. Every 20 crores added to our capital means that we ought to obtain an increase in our net earnings of about a crore and 36 lakhs. For not only have we to pay our interest charges but in addition we have to pay one per cent to General Revenues on our capital at charge. On the other hand, much of our new money goes into works which take time to become remunerative, and there is also the fact that we must expect large variations from year to year in Railway earnings in accordance with harvest results and trade fluctuations. All these considerations point to the need for prudent management, for unceasing strivings after economy and efficiency, and for a wise policy of building up reserves. But provided that we keep these essentials in mind, I think that we can face the future with confidence and that we need not hesitate to make such well-considered experiments in the reduction of rates and fares as on the advice of our Agents we have so far embarked upon. But I have no doubt that the House will agree that the effect of such experiments must closely be watched and that if after a fair trial extended over a reasonable period they are found merely to involve us in a loss of revenue without bringing any compensating advantage in the shape of increased traffic, the matter may require reconsideration. But I hope that there is no fear of this result and that we shall not merely be able to carry on the reductions that have been made but also to try further experiments, particularly in the way of reducing freights.

16. I have just referred to the need for unceasing striving after efficiency and economy, and I have done so quite deliberately. For I think that I may claim that however far we may have fallen short of our ideal, that has been our policy during the last five years. Some members of the House, I know, think that we are too rigid in our adherence to this policy and they regard it merely as a rather soulless bureaucratic trait. But, believe me, it is not that. After all the Government of India and the Railway Board are responsible for what is, I suppose, one of the biggest commercial undertakings in the world. It is a business with a capital of something like 600 crores—say 480 million sterling. If we run it successfully, we provide India with a cheap and efficient system of transport. If we fail, the Railways become a burden on the general revenues of the country. In some respects I think that we can claim already to have made satisfactory progress. I do not wish to repeat what I said last year, but every one will agree I think that our financial arrangements are on a much sounder basis than ever before and that we have made some progress in carrying out the recommendations of the Asworth and Incheon Committee. But the Indian Railway system is a vast organisation, and recently in almost every year some new branch of our work has been brought under expert examination and review. This year it has been the turn of the workshops, and we have just published the report of the Raven Committee. Some people, I am told, call it an indictment of the Railway Workshops. It may be so. I am not particular about the word. But the plain fact is that the Railway Board thought that State Railway workshops required overhauling in the light of most modern workshop practice. We entrusted the task to two of the best experts we could find, and we have obtained from them what we wanted, namely, a frank outspoken report containing many valuable suggestions for improvement of our methods and our equipment. The publication of the report may expose us to criticism, but from our point of view the important thing is that we now know the directions in which to work for economy and efficiency, and we propose to follow up the suggestions which have been made. Similarly, an enquiry is now going on into our methods of railway accounting and into our workshop accounts, and another

enquiry has just been made into the medical and sanitary arrangements of one of our most important railways. I do not propose to enter into greater detail into the many other directions in which economies are being effected in the administration of our railway property as these are dealt with in Sir Clement Hindley's speech in presenting the Budget in the Council of State.

27. And now, Sir, I propose to bring to an end this the last account I shall give of my stewardship of Indian Railways. I am conscious of its difficulties, and there are many other things that I should like to say, but I am afraid of wearying the House. I am sorry that I end with a less prosperous year than some of its predecessors, but at any rate it is a much more satisfactory budget than the one I had to defend in this House 5 years ago. No one could have had more loyal and devoted assistance than I have had from Sir Clement Hindley, Mr. Sim, Mr. Parsons and from Railway Officers generally and as for this House, Sir, though I have had much criticism, I like to think that it was kindly criticism and there is not one of us on these Government benches who does not realise the value of the close scrutiny to which our budgets are subjected by the Legislative Assembly.

The Steel Bill.

After the Railway Member's speech was over discussion was proceeded with the Steel Protection Bill.

Lala Lajpat Rai spoke first in support of Mr. Ochetti's amendment for average weighted duty. He did not question the motive and intention of Mr. Jinnah, who did not see any imperial preference in the Government proposals but only discrimination in favour of British steel. But Lalaji feared that one discrimination would lead to further discrimination. Politics and economics were inter-twined and in this bill the vicious principle of imperial preference existed.

The President: This question of imperial preference was discussed throughout the other day. I request the members not to make speeches on that but merely touch on it.

Lala Lajpat Rai averred that even economically the principle of discrimination was unsound and urged the House to consider the advantage of weighted average duty which outweighed those proposed under the Government scheme. He contended against the view that there was dumping of continental steel and pleaded against penalising a large mass of consumers who used continental steel. Continuing, he said that by penalising the use of continental steel they would be throwing out of employment thousands of poor Indians who were engaged in the manufacture of small articles out of continental steel.

("Official Benches cried: No no, where are they") He instanced the small manufactures in Bombay, Poona, Gujranwala, Sialkot and other places. Concluding, he complained against the Indian students not being given adequate facilities by English educational and technical institutions, while continental countries whose steel the Government wished to exclude from India were showing consideration in this respect. The treatment of England did not deserve concessions as was proposed by the Bill. He accepted that the steel industry should be given adequate protection for seven years. To that extent he favoured the Tariff Board's report, but he differed as regards the form of protection.

Mr. Jinnah, replying to Lala Lajpat Rai, said that the telegraphic representation which the latter claimed were pouring in were all from the iron merchants (Hear, hear). None of them were, however, from traders or artisans for whom the Lala had pleaded. However, the Tariff Board had taken into consideration the consumer's point of view, but Mr. Ochetti's amendment, if put into effect, would give excessive protection to Tata; and would profit the middlemen. Figures showed that under Mr. Ochetti's scheme there would be unnecessary burden of 4 crores on the consumers in the course of 7 years, but at the same time he wanted the Government to see that small traders and artisans did get the requisite protection.

At this stage, several members on the official benches applied for closure but the President called upon Mr. Birla to speak.

Mr. Birla quoted figures to show that there was no profiteering on the part of middlemen. Figures related to beams, angles, etc. Mr. Birla asked the House not to be led away by the argument of Mr. Jinnah and Sir Charles Innes about profiteering when in some cases these middlemen actually lost.

Mr. R. Das said that Sir B. N. Mitra did not reflect Indian opinion in the Executive

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Council, Sir Charles Innes had himself said on a previous occasion that whether it was imperial preference or preferential rates, there was politics behind it. Now, however Sir B. N. Mitra, the Indian member, took up the view advanced by the non-officials.

When Mr. B. Das finished his speech it was a quarter to four and there were renewed cries from official and other benches for closure. The House divided on the closure motion when the Hon. Mr. Patel came back and occupied the chair. 87 voted for closure and 50 against it.

The House again divided with the result that 60 voted against the amendment and 49 for and, therefore, the amendment was lost.

The Kharagpur Strike.

After the amendment of Mr. Chetti had been defeated, the adjournment motion on the Kharagpur strike was taken up. Mr. V. V. Jogiah wanted the House to discuss the conduct of the B. N. Railway administration in not enquiring into the repeated representations of the subordinate employees of the B. N. Railway which occasioned the strike causing inconvenience to the people; secondly, the conduct of the Government in calling out the Railway Auxiliary Force to shoot indiscriminately not only the workmen but some members of the public and in not giving warning or persuading the crowd to disperse, and lastly, in censoring despatches of telegrams sent from the Labour Union to a large number of the members of the Assembly. He reminded the House of the representations of the labourers which was promised to be considered but which was repeatedly postponed on very flimsy grounds. The chief grievances of the labourers were insecurity of service, dismissal without proper action, insufficiency of wages and ill-treatment of subordinate officials. The Labour Union advised men against going on strike and but for the attitude of Mr. Lewis, Acting Chief Engineer, the situation would have been easily solved.

Mr. C. S. Ranga Aiyar who spoke next regretted that Mr. Jogiah had no time to develop the main theme of grievances, namely that there was indiscriminate use of bayonets and this was done by using Col. Gidney's Anglo-Indian race against Mr. Jogiah's labourers (hear, hear). If they wanted to shoot Indians, why did they not bring Europeans? Why should Anglo-Indians have been brought? Was this another proof of the policy of *divide et impera*? From a perusal of the account of the events, it appeared as if the men were instigated to use violence so that superior forces of violence might be brought into being. Let Sir Charles Innes mark his departure from India by conducting an impartial enquiry.

Colonel Gidney regretted the tone of Mr. Ranga Aiyar's speech which itself was for *divide et impera*. It was the Railway Union and political infusion in it that were at the bottom of the riot. Why should this House of legislators accept what all the Railway Union said in their statement and in effect send a message for other Railways to follow suit? By carrying the motion they would disorganise Railway as they disorganised the Police in Calcutta riot. Let us not be guided by telegrams sent by the rioters. Concluding Col. Gidney asked the Government to see that there was no dismissal, removal or reduction in accordance with rule fourteen of the Home Department.

Mr. N. M. Joshi drew the attention of the House to the fact that the Auxiliary forces were composed of railway officers. The speaker asked if it was fair that the very officers under whom these men were working should turn out to be the military when the men struck work?

This was not the first time in which the military was used for firing in the name of law and order. The Government of other countries did not use military for such purposes. Mr. Joshi wanted an enquiry not only into the incidents of shooting but also into the grievances of the workers. If the Agent had failed in his duty, let not the Government of India fail in its duty.

Referring to the grievances of the men Sir Charles Innes said that he had never known a case in which the Agent of a Railway extended so much sympathy to railway men. As soon as the grievances of men over the transfer of Mr. Naidu was brought to his notice, the Agent himself took the trouble to explain the actual position. The men came back to work, but all of a sudden due to the influence of politicians a public meeting was called attended by a large number of persons and resolutions passed. Then there was a crowd marching to the station yard and preventing the running of trains etc., and if at that stage the District Magistrate ordered the use of not fire but bayonets, then Mr. Ranga Aiyar wanted him to be dismissed. The District Magistrate had to act on the spur of the moment. His task was difficult and no more than the necessary violence was used. So long as he (Sir Charles) was a member of the Government, no district officer would be punished or penalised for trying to do his duty in circumstances of this kind. The versions as received by him from the officials and as given out by men did not of course tally in all respect. Indeed, the House was not in possession of the facts. What then was the use of our enquiry at this stage? The danger of passing this motion at this stage was that they would prolong starvation of these men who were on strike.

Diwan Chamanlal said he was yet to hear the word of regret for bayonetting. Could it be denied that the head of the Auxiliary Force, Colonel Henderson himself, was a railway official?

The Commerce Member interjected that he said the Auxiliary Force was called out by the District Magistrate.

Mr. Chamanlal condemned the law being taken into their hands to the danger and detriment of the life of the people. A judicial enquiry must be held into the firing and bayonetting and an impartial enquiry into the grievances of the strikers. If a promise of this enquiry was given, the motion would be withdrawn but not otherwise.

Pandit Malaviya who followed prefaced his speech with a declaration that he was generally against strikes. He said that it had been suggested that strikers had done injury to the railway property. He was sorry that officials on the spot acted unwisely, for strikers had gone to the platform to advise their fellow-strikers also to stop work. They had perfect right to do so. If the speaker was convinced that violence had been resorted to by the strikers, his attitude would be different. The speaker regretted the want of patience and restraint on both sides. The authorities should have exercised greater restraint. It was not necessary to have called out the Auxiliary Force and asked them to resort to the use of bayonets and fire-arms. If Sir Charles Innes had only expressed regret for the action taken there would not have need for this heated debate.

Mr. Neogy dealt at the outset with the constitutional aspect regarding which he said he was between the devil and the deep sea for a while. Sir Alexander Muddiman said that this question was to be discussed only in the local Council. The President of the Bengal Council had disallowed adjournment motions on the ground that this was a central subject. Proceeding

he referred amid cries of "shame" to the censorship on telegrams sent by the Labour Union to 18 members of the Assembly. Not only were their reports suppressed by the authorities but their own accounts were cooked up.

It was 6 when the President declared the motion talked out. The Assembly then adjourned.

The South African Agreement.

On the 21ST FEBRUARY Mr. Bhore made a statement of the agreement reached between the Union Government and the Government of India and he was applauded at the conclusion. (For the text of the statement see Section "India Abroad.")

The President reminded Mr. B. Das of a reference made by Mr. Bhore that so far as the Government of India were concerned, they had ratified the agreement.

The Steel Bill Passed.

Mr. Jamnadas MEHTA then moved his amendment putting forward his alternative scheme in respect of duty cum protection. He declared that the Bill did embody Imperial preference and that it would be contested inch by inch and step by step. He showed that as a result of three years' protection scheme the Government had benefitted in revenue by Rs. 100 lakhs, the creditor by Rs. 150 lakhs and the wage-earner, by Rs. 425 lakhs while the owner of the company had in three years benefitted in the shape of dividend only to the extent of Rs. 4 and half lakhs, which did not yield even half per cent. How could this be expected to serve as an inducement to the investor. The people of India had made heavy sacrifice in these years to help Tata Steel to stand firm. Thanks to the exchange, capital had to be written down.

Continuing, Mr. Mehta averred that the protection extended was so small that it would not attract capital. He contested the view of Mr. Jinnah that it was the middlemen living in Bombay who would benefit by his scheme. He showed that according to Godrej, Tata had quoted Rs. 228 per ton for steel which could come from Germany for Rs. 141 or at 170 with additional duty. Then under no circumstances could Tatas compete with this. The consumer in Calcutta benefited because of the competition with British Steel and because of the nearness of Calcutta. He maintained that his scheme alone would give protection to the industry, impose the least burden on the consumer and would put the least possible sum in the hands of the Government.

Mr. JINNAH, replying, remarked that he never said that the Bill was perfect but that of the 3 schemes before the House the one embodied in the Bill represented the least evil. Mr. Jamnadas had only proved the speaker's contention that because Tata Steel did not reach the ports of Bombay, Karachi and Madras as easily as Calcutta it was the middlemen who really benefited. Did Mr. Jamnadas understand that if he gave bounties to Tatas the result would be that Tatas would concentrate on production of bounty fed material and give up production for instance of galvanised sheets? This would mean that the revenue derived from import duty under protection which amounted to half from these sheets would as a result of withdrawal of protection be lost. He saw no reason why new companies should not come into the field. Mr. Jamnadas Mehta had charged the speaker of being either in air or at sea but it appeared to Mr. Jinnah that Mr. Jamnadas himself was either in the lap of prejudice or had been misled by middlemen. He examined the amateur amendment of Mr. Jamnadas and showed how it would land the Government in difficulties and unknown liabilities. For instance, any firm could without much outlay undertake to manufacture bars out of scrap iron and scrap steel. To pay bounty for protection of such bars would involve an unknown liability. Speaking with all authority at his command of the working of three years' protection, he described Mr. Jamnadas's amateur proposals as ridiculous and absurd and that to work the scheme proposed by the Bombay member would, if not impossible, be most difficult, very expensive and very inconvenient. He hoped that the House would realise its responsibilities in the matter.

Mr. M. K. ACHARYA regretted that Sir Charles James had not met the argument of the non-officials that under their scheme he (Sir Charles) was taking much more from

the consumer. They all agreed that adequate protection should be given to Tatas, but not in the way the Government suggested. He would have no objection if the entire scheme was withdrawn and another Bill which would be more acceptable to the House was brought forward. He, however, would accept Mr. Mehta's amendment as the lesser of the two evils.

Pandit MALAVIYA emphasised that on a matter of this kind Government should carry the House with them. To snatch a vote this way or that was not the proper method of pushing through such legislation. He did not question the earnestness of the Tariff Board and of the Government to act in the very best interest of India according to their light. The opposition was not wanted, but because there was honest difference of opinion he expected that, instead of crying shame and telling the members that they did not know their business the Government and their supporters should show sympathy and consideration to the views of the opposition. Their view was based on some regard for the consumer to see that the consumer was not penalised in places where Tatas did not operate. He suggested that the Government with all its Secretariat machinery should co-operate with the House in removing the defect of Mr. Jamnadas's scheme. The speaker had worked with Mr. Jinnah for years but felt that Mr. Jinnah's special pleading on this occasion had disappointed many members. He rejected the plea that Tatas would play false to the Assembly and to the country by changing their plans for production. If they did, the Assembly would not help them again. He did not wish to hurt Englishmen, but must first have regard for the interests of his own countrymen. Why rush through this Bill? The manner in which the Bill was being handled had caused him great pain and he ended by suggesting the adjournment of the discussion.

At this stage the closure was moved by the official benches and was carried without division. The House then voted on Mr. Jamnadas Mehta's amendment and rejected it by 65 votes against 56. Thus, while whipping on both sides had brought in the absentee members, the majority for the Bill practically, remains the same as it was when the motion for recommittal and for approving Mr. Chetti's scheme was rejected.

Discussion on other Amendments.

Mr. Mukhtar SINGH then moved an amendment providing for rebate of duty in respect of imported steel used by bona-fide Indian manufacturers of small articles such as bolts, toys, utensils, cutlery etc. Sir Charles Innes, intervening said that this question was under consideration of the Tariff Board and he hoped this information might shorten discussion. Mr. Mukhtar Singh said he was not satisfied with the assurance given by the Commerce Member and pressed his amendment. The speaker explained how the rebate system could be calculated and worked.

Sir Charles Innes, in opposing the motion, said the amendment was vague and unworkable. The amendment was rejected.

Purchase of Steel by Government Departments.

Sir Charles Innes pointed out that the next amendment in the name of Mr. B. Das which asked for declaration of the Government by notification in the "Gazette" that the purchase of steel of Indian origin should be given preference by the Government departments, municipalities and local boards etc., was put out of order on the grounds that it raised the question of increase of import duty which was outside the scope of the Bill. The President agreed that the motion was out of order on the ground that it related to provincial subjects which could not be discussed in the House except by permission of the Governor-General. He would, however, admit the amendment if the mover omitted municipal and district boards from the operation of the amendment. Mr. Das agreed to this and the amendment was formally moved. Mr. Das, in moving his amendment, said that even the Tariff Board had recommended the use of Indian steel by Railways as it was the object of protection to create a market in India for Indian manufactured steel. He pleaded for acceptance of his amendment and complained of the circular issued by the Railway Member who recommended that Indian Railways might go in for Indian products. His objection was that it was not made obligatory. He wanted a statutory provision to be made with regard to the purchase of Indian steel and the mere assurance of the Commerce Member was not enough.

Mr. Das's amendment was pressed to division and lost by 45 to 33 votes.

Appropriation of Protective Duties.

Mr. N. M. Joshi rose to move the amendment laying down that the amount raised

by protective duties should be applied for technical training in steel industry and welfare of workers such as protection against sea-sickness, unemployment, and old age.

Sir Charles Innes, on a point of order, said the motion contravened Section 67 of the Government of India Act which clearly laid down that no motion for appropriation of revenues should be made except with the permission of the Governor-General. The President upheld the objection and ruled the motion out of order. Clause 3 of the Bill was then adopted.

Lala Rang Beharilal unsuccessfully moved an amendment to Clause 3 of the Bill demanding that in 1923, the steel industry's representation of insufficiency of protection should be a precedent of further protection.

Depreciation Fund for Steel Companies.

Dewan Chamanlal moved his amendment laying down that the Governor-General in Council should have power to frame rules directing steel companies to set aside for a depreciation fund a certain amount from the profits and also providing for housing, maternity and other benefits to workers. The mover said that the Assembly was entitled to direct the companies to so spend their profits as to ensure proper working. He complained of the bad lot of the workers who, notwithstanding the Tariff Board, were not well treated and had to suffer great hardships.

Sir Charles Innes, replying, asked what could be done if the steel companies disobeyed the rule for depreciation funds? His opinion, is that it must be left to the good sense of the companies' directors. Clause 3 was adopted after two more amendments were withdrawn.

Motion for passing the Bill.

Sir Charles Innes then moved that the Bill as amended be passed.

Mr. S. Srinivasa IYENGAR, opposing the motion that the Bill be passed, observed that the methods adopted in giving protection were so hopelessly at variance that he could not agree to it. Sir Charles himself had agreed that the Bill provided for British preference. It was said that no scheme of imperial preference should be undertaken unless both the Government and the Legislature agreed. He would, therefore, ask the House to be careful in view of the fact that preference was both political and economical in character. The speaker objected to the Bill on another ground, namely, that it enabled the Government to raise more revenue than was needed for administration. It was bad and vicious in principle to encourage overflow of money into the exchequer. Concluding, Mr. Iyengar reminded the Commerce Member that on the last occasion when the Limitation Bill was before the House, he had dismissed the Tariff Board's recommendations for import duties as a burden on the consumer. Was the Tariff Board then an expert body or had it suddenly become expert because it suited the Commerce Member?

Mr. Bangaswami IYENGAR, in opposing the Bill, referred to the Imperial Economic Conference when the British representative had agreed that British goods were enjoying a large share of India's market even without preference. Now Sir Charles Innes sought unfairly to extend the preference at the cost of India. He referred to the position of the Indian wagon industry in relation to the Bill under discussion. The wagon industry had asked for protection. Obviously that industry could manufacture all the Indian needs; but strangely enough, the Commerce Member had placed orders in England in respect only of current wagon requirements but also of anticipatory requirements for the next five years. The position was that in spite of Indian steel protection the wagon industry would not enjoy any privilege. When the question of protection by bounty to wagon industry came up, the Government would say there was no necessity as they did not require any further supply of wagons. The result would be that while the local wagon industry was suffering British wagon would come into the country at a ridiculously cheap rate of duty.

Bill passed by a Majority.

After Mr. Jinnah had spoken in support of the Bill closure was applied and agreed to. Sir Charles Innes having relinquished his right to reply, the Assembly divided with the result that the Bill was passed by 52 votes against 40.

Civil Aviation Grant.

The House next proceeded to discuss the motion that a supplementary sum not exceeding Rs. 996,000 be granted to defray the expenses that will come in the course of payment during the year ending 31st March 1927 in

respect of aviation. On Diwan Chamanlal strongly objecting to a penny being spent on civil aviation, Sir Alexander Muddiman replied that the question was of great importance and at the far end of the day the House was not in a mood to discuss it at length. He, therefore, formally moved that further discussion on the supplementary grant be postponed to which the House agreed and then adjourned.

Discussion of Railway Budget.

On the 22ND FEBRUARY the House proceeded to the general discussion of the railway budget which was initiated by Sir Purushotamdas Thakurdas.

Sir Purushotamdas THAKURDAS acknowledged the manner in which the Railway authorities took members of the Advisory Council and the Finance Committee into their confidence but it seemed to him that mostly it was a case of locking the doors after the horses had left. For, even with the said experience of Railway surplus stores after the war, there was to-day considerable surplus of wagons. Locomotives also ceased to be in excess. These enormous purchases were made at a time of high prices and had involved the taxpayer in an annual loss of the best part of one crore. He was pleased at the lower figure of compensation paid, but suggested that following the example of the B. B. and C. I. Railway who took the Advisory Council into confidence the Railway Member should also tell them of the number of claims received for compensation. Sir Purushotamdas then spoke particularly on the remarks of Mr. Parsons, Financial Commissioner, in his memorandum on the effect of exchange on the Railway budget. He held that in the whole railway tale told to the House the effect of maintaining the artificial ratio was visible unmistakably. While Sir Basil Blackett had told them that prices had adjusted themselves to 1s. 6d., Mr. Parsons was counting on the effect of sterling transactions for the next three to five years. He then examined in detail Mr. Parsons' observations.

As for the wages of the railway employees he was the first to stand, for not only adequate payment but for one that would ensure comfort. He recalled that three years ago Sir Charles Innes held the wages of railway employees to be very generous and those wages to-day were more favourable because of further fall in prices. To raise this issue to prejudice discussion on the ratio was not fair to the country. Sir Purushotamdas added that the Government had been artificially propping up exchange.

Sir Basil Blackett: You want artificial depression.

Sir Purushotamdas: It does not lie in the mouth of the Hon. Member to interrupt me when the time is so limited and when he knows well that he had not the courage to let the ratio issue be discussed earlier.

He continued: "As for the stores, here again, Mr. Parsons had shown that the Government had by its currency policy hit the Indian industries. Sir Purushotamdas further showed that the mileage of 88,082 in 1923-24 had earned on the average Rs. 24,907 per mile. The total mileage of 39,817 in 1927 to 1928 was estimated to earn practically the same, namely Rs. 24,923.

Sir Purushotamdas continuing drew attention to the remark in the railway administration report of 1923-25 that the railway earnings depended on the general prosperity of the country which in the case of India was most easily measured by the agricultural position and returns of foreign trade. The administration report of 1925-26 had referred to the heavy drop in the export of grains through Karachi. The Railway Member had in his speech on Friday admitted that the total foreign trade was nearly 50 crores less in the current year than in the previous year. The whole question then was that whenever they manipulated currency and especially the ratio in a manner that it either hampered exports and consequently also imports, the railways were bound to suffer. Sir Charles Innes was, therefore, not right in thinking that the budget which he presented with a heavy heart was dependent only on factors outside his human control but might very well bear in mind and examine the factors under the control of the Government of India. He felt that unless the Railway department make the Finance Department straighten facts and remedy them, the Railway Budgets of India not only for the next year but for some years to come would have nothing but a sad tale to put before the House. It was a very sad commentary on the Currency policy of the Government and the first reflection of it had been found in the Railways of India.

After several members had spoken Sir Charles INNES replied to the debate. The Railway Member said that for the last few years, the railways had got accustomed to

1a. 6d. ratio and there would be complication if that rate was altered. Much had said of the question of separation of railway finance and both Mr. Jamnadas Mehta and Mr. Neogy had pleaded for revision. The terms of the present convention were to last for three years only and then the position should be re-examined; but if there was a general desire that the question should be reviewed earlier, then the Railway Board would be quite prepared even to undertake a preliminary examination of the subject. But the whole scheme was in an experimental stage and for that reason he himself would prefer postponement so that the experiment would work itself out. But it must be remembered that whenever examination was undertaken, there must be one condition, namely, that the profits of Railways must go towards improving the railways and cheapening the rates and freights and not for the general revenues of the country. Mr. Seshu Iyengar had considered that in the railway programme they were going too far; but most of the other members who had spoken had urged that the right policy for the Government to adopt was to push on their programmes especially in agricultural tracts, and this they were doing. He warmly contended against the charge that the policy in regard to railway programme was in the interest of England and pointed out that the lowest satisfactory tender was accepted by the High Commissioner and there was no preference for Britain in respect of the stores purchased.

Proceeding, Sir Charles referred to the criticism levelled against the Railway Board after the report of the Raven Committee on workshops and said: "We sought that enquiry at the instance of Mr. Wrench and we shall give effect to the recommendations. He informed Colonel Gidney that reduction in fares had taken place not only in State Railways but on all Company-managed railways. If Mr. Joglah's suggestion for a uniform rate of 2 pies per mile on all railways for third-class passengers were adopted then there would be a loss of Rs. 11 crores. Mr. Ranga Aiyar was not right in his figures that 2,500 men had been transferred to Calcutta from Lucknow on the E. I. Railway having taken over the O. and B. Railway. The figures were not more than 300. He assured Mr. Ratnaswami that if there was remissness on the part of the Government of India in giving attention to South India in the matter of railways in the past, that was more than made up by the projected extensions in the coming year. Concluding, Sir Charles Innes amidst applause said that if the policy adopted by the Railway Board was pursued, then his successor after five years would be able to show a very remarkable record.

The Assembly then adjourned.

Voting on Railway Demands.

On the 23RD FEBRUARY discussion on railway demands for grants commenced with a full dress debate on the affairs on the Railway Board on the motion for omission of the whole grant, on which all the three non-official parties seemed agreed. About 125 motions for cuts, some token and some substantial, were on the order paper, but by mutual agreement discussion was concentrated on selected motions of both characters.

Mr. Srinivasa IYENGAR rose to move a reduction of the demand by Rs. 9,42,000 which would virtually amount to omission in effect. Mr. Iyengar complained the printing mistake in the motion on the paper which stated that demand be reduced to Rs. 9,42,900 and not by Rs. 9,42,000.

Mr. Graham protested that this was the mistake of the mover as original documents showed. Mr. Srinivasa Iyengar expressed regret and the President permitted him to move the reduction by Rs. 9,42,000.

Mr. Iyengar, in moving the motion, said that the Railway Board was as supreme as the Government of India and had its revenue and expenditure in the same proportions as the general budget. There was no sanctity attached to the Railway budget. They wanted that railways should be a transferred subject in charge of an Indian Minister. The Railway Board was an irresponsible body. First class appointments like those of the Chief Commissioner and Members of the Railway Board were appointed without reference to the Assembly. He recalled it was an integral part of the convention that Indianisation should be proceeded apace and Indians should be appointed to the Railway Board.

Mr. Srinivasa Iyengar maintained that this question was also a recommendation of the same resolution just as the Convention was, and though it was made apart from the Convention it became a further convention. Why take shelter under technical evasions? He further held that the Board should not be a technical body but a business body and Indians were available to man it to-day. There was mal-administration and gross breach of trust as was shown by the scandal. Sir Charles Innes had made virtue out of necessity in welcoming the Raven Committee's stricture. He finally charged the

Government that the Indian point of view had not been kept in connection with the Railway administration either in the matter of constitution or power of the Board or power of the legislature. The Indian point of view was not kept in view as was shown by the sorry tale of extravagance in respect of wagons and stores. It was still an alien administration out of touch with the Indian requirements.

Sir Charles Innes, replying, wished the attack had been directed to him and not to his railway officers; for, he maintained, the Railway Board was a technical body and did not control the policy. As for Indianisation, he recalled his words three years ago which did not hold out the hope of the early appointment of an Indian to the Railway Board. An Englishman or a Scotchman disliked nothing more than that he be charged with breach of faith. The Railway Board was a technical body and its appointments were prize posts for railway service and must go to men who had earned them by excellent work. It would be dereliction of duty on his part to recommend supersession to appoint an Indian. He realised the point of view of Indians that the Railway Board was a close corporation from which Indians were definitely excluded (hear, hear) but they must realise his point of view also that Indianisation was purely a question of time. He admitted that the Indianisation policy was belated; but it was having full effect and Indians were coming to the top. There was an Indian Chief Engineer and an Indian Superintendent.

Reduction Motion Carried.

The motion of Mr. Srinivasa Iyengar for a cut amounting virtually to the total rejection of the demand was then put to vote and carried by 59 votes against 52. The House then adjourned.

Capital Programme.

On the 24TH FEBRUARY, Pandit Kunzru moved a cut of Rs. 1 and wanted to know what their commitments would be in respect of rehabilitation and capital programme. As for new construction he wished they went at a less rapid rate than they were doing at present. Let there be no undue burden on their resources in respect of interest charges.

The motion was put and negatived.

Railway Stores Policy.

Pandit Kunzru next moved a cut on demand under the Railway Board to protest against the purchase of stores direct without assistance and consultation of the Stores Department. The existing policy of the Government in general and Railways in particular for buying stores was highly objectionable. If stores were not bought through the Stores Department why was that department at all maintained?

The Chair put the motion to vote and declared it carried. This being contested, division was called and Mr. Kunzru's motion was carried by 66 against 44 votes.

Separation of Railway from General Finance.

Mr. Kunzru next raised the question of separation of railway finance from general finance and made suggestions in respect of changes called for in the convention on the subject. After discussion, Pandit Kunzru withdrew the amendment on receiving the assurance that the House would be given an opportunity of discussing the matter.

Enquiry into Railway Employees' Grievances.

Mr. M. K. Acharya raised the question of Government not accepting the Assembly's resolution in 1925 recommending inquiry into the grievances of the subordinate railway employees. He described the attitude of the Government as one of great lack of sympathy and said that resolutions had since been passed by the conference of employees and All India Railway Federation earnestly praying for a commission of inquiry. Mr. M. K. Acharya gave a detailed list of grievances as received by him from employees particularly in regard to low wages. The plight of employees was indeed like that of a drowning man. Would not Sir Charles Innes with weight of his authority and influence come to their rescue by at least agreeing to appoint a committee of enquiry?

The motion was under discussion when the Assembly adjourned till next day, the 25TH FEBRUARY, when the motion of Mr. Acharya was pressed to division and carried by 54 against 47 votes.

Extension of Assam Railway.

Sir Darcy Lindsay then moved a cut of Rs. 1 for drawing attention to the failure of the Railway Board to consider the possibility of railway communication between Gauhati

and Shillong. This was withdrawn on Sir C. Hindley assuring that Motor transport served better than Railways in the Amam Hill roads.

Decentralisation of Railway Board's Work.

Mr. Kelkar next moved a cut to elicit information whether the Railway Board had any scheme of decentralisation of board's work and power of supervision and control laying special stress on want of close touch of officials with public opinion. He urged that the advisory committee should not be confined to metropolitan cities, but should also be formed in mofussil. He suggested that committees be formed on the lines of those which existed in Prussia to which reference had been made by the Acworth Committee.

On receiving the assurance that all suggestions made in the debate would be fully considered, Mr. Kelkar withdrew his motion.

Concession Rates to Indian Manufacturers.

Mr. Kelkar next raised a grievance against railway rates of trade in relation to Indian manufacturers. He traced the history of this demand since 1915 when it was made in the Imperial Legislative Council and said the Railway Department never conducted proper investigations into the applications made by Indian manufacturers. He instanced inter alia the case of Kirloskar Brothers who manufactured agricultural implements. Such implements manufactured in England were imported at preferential rates by the Customs Department but the Railway Department took another view and would not allow concession even when this iniquity was drawn attention to by Dr. Harold Mann endorsing the application of Kirloskar Brothers. This was ultimately withdrawn by the mover.

Regulation of Expenditure.

Pandit Nilkantha Das then urged that expenditure should be regulated. He complained that expenditure was growing more and more because they were all raising the standard of living unnecessarily by imitating Europeans. This morning there was a view expressed that the salary of Indians should be raised to the level of Anglo-Indians. Why should this be done? On the other hand the tendency should be to make Anglo-Indians adopt a lower standard. At any rate Indians must not unnecessarily raise their own. The motion was finally lost.

Reduction of Petrol Rates.

Col. Crawford by a token cut pressed on the attention of the Government the necessity for reduction of petrol rates and providing facilities for carriage of petrol in tank wagons. Sir Clement Hindley promised to look into this question of petrol rates after consulting the Agents and informed that they were watching the question of carriage of petrol in wagons.

Other cuts on the agenda were not moved and finally the first head, the Railway Board, was passed by granting for it the reduced sum of Rs. 98

Inspection Demand.

The second head related to inspection. Mr. Duraisami Iyengar objected to the salaries of certain officers being put as non-votable while they should have been put as votable. He based his objections under provisions of the Act which required that Inspectors should be appointed by the Governor-General in Council and as such their salaries must be made votable. The Assembly then adjourned.

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Higher Appointments in S. I. Railway.

On the 26TH FEBRUARY, Mr. Bangaswami Iyengar moved a cut of over Rs. 2 lakhs to protest against the proposal of S. I. Railway to add to higher appointments while continuing to pay starvation wages to lower employees. He added that this railway was most inefficient and that there was nepotism. The motion was rejected.

Pilgrims' Grievances.

Pandit Kunzru by another token cut raised the grievances of pilgrims who are sometimes taken in wagons. He brought this matter particularly in view of the forthcoming Kumbha Mela at Haridwar. If it was felt absolutely necessary to carry pilgrims in wagons then it stood to reason that they must get some rebate in fares. This was withdrawn.

Reduction of 3rd Class Fares.

Mr. Acharya moved a cut to urge reduction of 3rd class fares. Reduction effected in respect of long journey helped only a very small proportion of passengers.

Sir Charles Innes, in opposing the motion, contended that the reduction of fares on East Indian, North Western and South Indian Railways had given a loss of Rs. 67 lakhs in eight months in spite of increased traffic. The Railways had gone as far as possible in the direction of reducing the fares. He emphasised that third class travelling in India was the cheapest in the world. The motion was lost.

Administration—Working Expenses.

Sir Charles Innes then moved for Rs. 1,350 lakhs in respect of working expenses under administration.

Mr. Prakasam moved a cut of Rs. 2 crores. He said the budget showed that no less than Rs. 65 were being spent in working expenses for every hundred rupees gross receipt. He elaborately mentioned to the House the result of his examination of Japanese figures and their comparison with corresponding expenses incurred in India. Thus, while in India, between Rs. 2,500 to Rs. 4,000 were paid monthly to the Agent and Rs. 6,000 to the Chief Commissioner for Railways, the salary in Japan of the Chief Commissioner for Railways did not exceed Rs. 1,020 per mensem. In India itself, the House must be aware that men like the Right Hon'ble Sastri worked patriotically for the sake of the country on mere pittance received from the Servants of India Society. If only the Government had for 60 years tried to open up these ranks to Indians, it would have enabled them to run railways at half the cost. The motion was put and lost.

Mr. Aney next moved a cut to protest against the violation of the Lee recommendation for giving 75 per cent of vacancies to Indians. During the year 223 appointments were made, of whom 132 went to Europeans, while only 86 to Indians including statutory natives of India.

Sir Charles Innes replied that on the State Railway between April to February 35 per cent appointments had gone to Europeans and 65 per cent to Indians and the reason why 75 per cent was not reached was the paucity of mechanical engineers in India, but the Government, fully mindful of working up to 75 per cent at the earliest possible date, were making arrangement for mechanical training and were employing Europeans temporarily on short contracts so that these appointments did not affect permanent proportion of the service.

Mr. Aney pressed the motion to division and it was lost by 45 against 43.

The demand under head "Working Expenses-Administration" was therefore carried without any reduction.

Repairs and Maintenance.

The next head related to the working expenses, repairs and maintenance and operation. Mr. Shunmugham Chetti moved a reduction of Rs. 50 lakhs in the amount of 10 crores set apart for repairs and maintenance charges of rolling stock. His authority for moving this cut was the Raven Committee's report. This report had clearly remarked that the repairs were not being carried out as economically as they should be and that with better organisation and better methods of production, it should be possible to reduce the expenses to the level of expenses in England. The costs in regard to locomotives were 33 per cent higher than in England, 100 per cent higher in the case of coaching vehicles and another 100 per cent in case of goods vehicles. These worked out four and a half crores higher, but he pleaded that the Government should give an earnest of their intentions to adopt the recommendations of the Committee by agreeing to at least half a crore. The motion was pressed to division and lost amidst official applause.

The total demand under this head namely Rs. 39,67,00,000 was then carried without reduction.

Other demands.

At this stage (5 p.m.) guillotine was applied and other ten heads of the budget were passed. The Congress party and in some cases also the Nationalist party crying "No" but not challenging a division. Thus after 4 days' voting except that the first head the Railway Board which was given a reduced sum of Rs. 98 out of Rs. 9,42,000 the Railway Budget was sanctioned in entirety. The Assembly then adjourned.

The Financial Statement for 1927-28.

The House re-assembled on the 1ST MARCH 1927 to hear the speech of Sir Basil BLACKETT on the Budget for 1927-28. No appreciable reduction in taxation is proposed, but the duty on motor car and hides, export duty on tea and stamp duty on cheques are all to be affected. Some of them reduced and others abolished. Permanent remission of provincial contributions by 8 and half crores is made and Bombay gets the lion's share while Bengal is relieved to the extent of 9 lakhs leaving 54 lakhs. The actuals of expenditure under military for 1926-27 are expected to exceed the estimates by 63 lakhs.

In the course of his speech Sir Basil Blackett said :—

Customs receipts are expected to exceed the estimate by 180 crores, as a result of the buoyancy of the yield from sugar and protective duties. The Proceeds in 1925-26 of the sugar duty were 71 lakhs more than for 1924-25 and nearly double those of 1923-24, and were thought to have been inflated owing to the heavy fall in the world price of sugar in that year. But our cautious estimate of 570 crores for 1926-27 has now to be raised by 1.25 crores. Protective duties on steel in spite of their success in giving protection have proved unexpectedly efficacious in bringing in revenue and are now expected to produce 2.25 crores as against an estimate of 2.35 crores. This represents of course the total proceeds of these duties, not simply the excess over what the ordinary revenue duties would have brought in.

Taxes on Income are now estimated to bring in 29 lakhs less than the Budget estimate of 16.15 crores, but this is due almost entirely to an increase in refunds in connection with double income-tax relief consequent on the reduction in the standard rate of income-tax in Great Britain.

Our receipts from Salt were fully up to anticipations up to the end of December, but the hope, however slenderly buttressed, that the new Budget might bring a reduction of duty seems to spring eternal in the breast of the salt merchant and the most recent figures suggest that clearances have been retarded pending the opening of the Budget. If so, the March figures may show a substantial recovery, but I have felt it prudent to place the revised estimate at 6.70 crores, a reduction of 20 lakhs on the original estimate.

The net receipts from Opium are now estimated at 8.15 crores, an improvement of 86 lakhs on the Budget figure. We were unduly cautious in our forecast of the immediate effect of our new policy of restricting exports, while a poor crop succeeding three successive bumper years led to a saving of 48 lakhs in our payments to cultivators, etc.

There is no change in the figure of 6.01 crores for the Railway contribution, and among other revenue heads I need only mention a special receipt of 81 lakhs on account of German reparation which represents a payment in respect of the period before 1st April 1926 and does not therefore go direct to reduction or avoidance of debt under the provisions of the Finance Act of 1925.

Expenditure, 1926-27.

On the Expenditure side the most important variations are an excess of 67 lakhs in the net Military expenditure and a saving of 82 lakhs on interest on dead-weight debt. The latter is due to the reduction in the rate of interest paid on new borrowings. The excess on the Military Budget arises mainly from the necessity of increased expenditure on purchase and manufacture of ordnance and other stores amounting to 70 lakhs. Unfortunately this is not a non-recurrent but a recurrent increase explainable by the fact that we have come to the end of our power to draw on the surplus stores left over after the War.

The revised estimate of revenue comes to 130.25 crores and the revised estimate of expenditure to 127.15 crores as compared with the original estimate of 130.43 crores and 130.38 crores. Thus for the fourth year in succession we are left with a realised surplus. The revised Budget of 1926-27 shows a balance on the right side of 8.10 crores.

These figures are drawn up on the basis which has been customary for the purpose of the presentation of the Indian Budget for many years but, as pointed out by the Public Accounts Committee in their Report on the Accounts of the year 1924-25, they do not, strictly speaking, represent either the gross or the net revenue and expenditure of the Government of India. A break of continuity is always to be deprecated. I have not thought it desirable to depart from the method of presentation sanctioned by past practice. There are indeed drawbacks in any form that might be adopted. But that the present form is, in some ways, inconvenient and may even be misleading is illustrated by our experience in 1926-27. In spite of considerable improvements in the main Revenue heads, it is very surprising to discover that the revised estimate of revenue for 1926-27 actually

a decline of 18 lakhs as compared with the original estimate. The explanation has been found in the way in which Railway figures are brought into the figures of the Budget. Both the receipts and expenditure on Railway Accounts, which appear in the General Budget, are substantially lower in the revised Budget than in the original. Yet the Railway contribution is exactly as originally estimated and has undergone no change whatever. The revised surplus of 8.10 crores for 1936-37 is accounted for to the extent of rather over 3 crores by a real improvement in our revenue; yet the revised figure for revenue is less than the original. The figures of net revenue and expenditure referred to below give a truer picture in this respect. On the other hand, the net figures tend to obscure the magnitude of the Government of India's activities and of the expenditure which they and the Assembly control. We must turn to the gross figures to get an adequate conception of what these are.

The gross expenditure of the Government of India including the working expenses of the Railways and of the Posts and Telegraphs and Irrigation Departments aggregates well over 300 crores. The exact figure is 304.73 crores. Even this figure contains certain small items of expenditure which are shown net—not gross—in our accounts. I have not imposed on the Finance Department, to whose loyal and exacting labours during the Budget season the Government and the Assembly and in a special degree the Finance Member are deeply indebted, the task of arriving at exact figures in this connection. For the purpose of presentation of the facts to the House and the country, the gross expenditure figure of 304.73 crores conveys a sufficiently true picture.

The task of working out accurate figures of our net revenue and expenditure requires preliminary decisions on many problematical points, for example, the question arises whether expenditure on the collection of taxes should appear as expenditure or as a deduction from the revenue raised by means of those taxes; or again, whether the interest received on our advances to the Provincial Loans Account should be treated as a deduction from our interest charges or as revenue. Statement D of the Budget sets out the figures of net revenue and expenditure on the same basis as last year. According to that Statement our net expenditure amounts to 84.07 crores. One fact which the figures of net revenue and expenditure bring out with somewhat startling clearness is the extent to which under the reformed constitution the activities of the Government of India have been transferred to the Provincial Governments, the functions of the Central Government being limited in the main to the defence of India, her relations with the exterior and with the Indian Princes, major communications, the Public Debt and the Currency, some miscellaneous duties in connection with subjects such as surveys, archaeology and research, and the responsibility for general superintendence, direction and control of the Provincial Governments.

Debt position.

In the year 1936-37, while our total debt will have increased from 969.04 to 978.84 crores, our sterling debt will have decreased from 486.55 to 453.40 crores. Our productive debt will have increased from 737.98 crores to 778.38 crores, and our unproductive debt will have decreased from 234.06 to 201.71 crores. Satisfactory as these figures are in themselves, they are still more pleasing in their reaction on our Budget expenditure and on the rate of interest at which we borrow in India whether for new capital outlay for productive purposes or for repayment of maturing debt. Thanks mainly to our policy of making regular provision for reduction or avoidance of debt, we borrowed in the market in India at the rate of 4.69 per cent. subject to income-tax in 1936 as compared with 6 per cent. tax-free in 1923, and the charge on the Budget of 1927-28 for interest on dead-weight debt is about 5 and half crores less than it was in 1923-24, a saving considerably larger than the total amount of our present provision for reduction or avoidance of debt.

Budget estimates for 1927-28—Revenue.

The ground is now cleared for the presentation of the figures of revenue and expenditure of 1927-28. I put the net revenue from Customs at 49.15 crores, an increase of 2.78 crores over the original estimate and of 1.46 crores over the revised estimate for 1936-37. Allowance has been made for a reduction of about 40 lakhs in the revenue from protective duty on steel owing to the effect of the new Steel Industry Protection Bill. It is wise to anticipate some reduction in the imports of sugar as compared with the very high figures of the past two years. The reductions under these two heads should, however, be compensated for by the normal growth of revenue under other heads.

Under the head of 'Taxes on Income,' I put our net receipts at 16.80 crores which is 26 lakhs more than the Budget figure for the current year and 66 lakhs more than the revised estimate. The improvement under this head is due in part to slightly more

profitable trade generally and in part to the substitution of tax-subject for tax-free Government of India securities.

The original estimate of revenue from salt duty for 1926-27 was 6.90 crores and I put the figure for 1927-28 at 7 crores, the increase being justified on the basis of the normal growth in consumption.

Under the head 'Opium' we have to allow for a reduction of 10 per cent in our exports in accordance with the policy announced last year. On the other hand, the considerable reduction which has been effected in the area of cultivation curtails our outgoings. I put the figure for gross revenue from Opium at 2.85 crores, which is 25 lakhs less than the revised figure for the current year, and the expenditure at 91 lakhs which is 16 lakhs less than the figure in the revised estimates for 1926-27. The net revenue will accordingly be 2.93 crores as compared with 2.12 crores in the current year.

The net receipts from Railways for 1925-26 were considerably below those for 1924-25 and in spite of the increased value of 1 per cent on the capital charge, the contribution falls from 6.01 crores in 1926-27 to 5.48 crores in 1927-28.

Our receipts under other heads of revenue are estimated at 15.70 crores, being a reduction of 1.74 crores from the original estimate for 1926-27. This estimate assumes the continuance, pending the inauguration of the Reserve Bank, of the present practice of crediting to revenue the excess over £40 million in the Gold Standard Reserve and the income from investments of the Paper Currency Reserve. The amount of these receipts has, of course, been diminished as the result of the reduction both of the sterling and of the Government of India rupee securities in the latter Reserve.

Our total estimate of revenue for 1927-28 comes to 123.96 crores as compared with an original estimate of 180.43 crores for 1926-27 and a revised estimate of 180.25 crores.

Expenditure.

I estimate our net military expenditure for 1927-28 at 54.92 crores, or almost the same figure as the original military estimate for 1926-27, but 26 lakhs less than the revised figure for that year. The disappearance of post-war charges for demobilised officers accounts for a saving of 44 lakhs, but this is counterbalanced by the extra provision necessary for the expansion of the Air Force, by increased expenditure on improving the barrack accommodation for both British and Indian troops, and by the necessity for an additional outlay of 90 lakhs on ordnance and other stores to which I have already alluded.

Civil expenditure.

The most significant variation in our civil expenditure from the figures of the current year occurs under the head 'Interest on dead-weight debt,' which I put at 10.63 crores as compared with 12.53 crores in the Budget for the current year. I have already drawn attention to the way in which our steady adherence to the policy of making regular provision for reduction and avoidance of debt and confining new borrowings to productive purposes in bringing in an annual dividend to the tax-payer in the shape of a progressively increasing saving in the charge for interest on dead-weight debt. The saving in gross interest charges is not less striking and the people of India are securing year by year, in addition to the tax-payers' saving on interest on dead-weight debt, all the advantages of lower interest charges on the capital which is being newly invested in productive works of development. This benefit is felt alike by the Railways, the Irrigation and the Forest departments, and the Provincial Governments as a whole to whom an improvement in the credit of the Government of India brings a much-valued boon in bringing down the rate of interest they have to pay on the sums borrowed by them from the Provincial Loans Fund emitted from the market.

Beneficial services.

For the last two years, the Government of India have been seeking gradually to restore some of the cuts made on the advice of the Retrenchment Committee in the Government of India's expenditure on beneficial services. It is no reflection on the Retrenchment Committee to say that some of the cuts were short-sighted. Temporary expedients had to be adopted in the existing financial situation. It was absolutely essential that expenditure should be reduced and it is to the labours of that Committee that we owe our present ability to take a somewhat longer view. Among the new items of expenditure, which have been approved by the Standing Finance Committee, I would draw special attention to the five-year programme for the expansion of education in the Frontier Provinces and other territories directly administered by the Government of India. This programme was drawn up by the Department of Education, Health and Lands on the suggestion of the Finance Department and is, we hope, only the first of a series of

programmes relating to the other activities of that Department which largely monopolises the privilege, so far as the Government of India is concerned, of watching over those comparatively few services which have not been transferred to the Provincial Governments, where expenditure is directly and obviously related to the advancement of the social well-being of the masses of the people. The programmes for additional expenditure on sanitation and other services are not yet ready, though individual items of new expenditure on their services are included in the estimates for 1927-28. The educational programme which extends up to 1931-32 involves, during the five years, an additional non-recurring expenditure of 29 and three fourth lakhs and a recurring expenditure, rising gradually from 4 lakhs in 1927-28 to 10 and half lakhs in 1931-32. The total amount of additional expenditure for the year 1927-28 is just under 12 lakhs.

Post and Telegraphs.

The Indian Postal and Telegraph Department is, as the House is aware, treated not as a profit-earning institution but as an organisation whose energies are directed to supplying postal and telegraph facilities to the general public in as full a measure as is compatible with the fundamental principle that the Department should not be a burden on the general taxpayer. Under normal conditions, the working expenses and interest charges should be, as nearly as possible, the same as the gross revenue of the Department. With the gradual improvement in trade, it is permissible to hope that the revenues will grow to an extent sufficient to show a substantial surplus over working expenses and interest charges. But that happy state of affairs is not yet actually in sight. It is clear, therefore, that any important reduction in the present postal and telegraph rates cannot be secured without saddling the general taxpayer with the necessity of paying a heavy subsidy.

In the case of the Indo-European Telegraph Department, the estimated net results of working in 1927-28 show a small loss of 3 lakhs which is slightly more than the figure in the current year.

Our estimate of the aggregate expenditure of the Government for 1927-28 comes to 129.25 crores. Our estimate of revenue on the basis of existing taxation is, as already stated, 126.96 crores, resulting in a surplus of 2.70 crores.

The surplus of 2.70 crores for 1927-28 is arrived at on the assumption that there will be no departure during the year from the established rate of exchange of 1s. 6d. per rupee. The House will, I know, desire to be informed what effect a reduction of the rate of exchange from 1s. 6d. to 1s. 4d. would have on the Budget figures which I have presented. It is by no means easy to arrive at an accurate estimate. In a statement which is being circulated to-day, the many and various considerations which have to be taken into account in order to show the effect of a reduction to 1s. 4d. on the Budget for 1927-28 are set out in some detail. The effect on the Budgets for the following years is also considered in the same statement. The conclusion arrived at is that on the assumption that during the year 1927-28 it will be unnecessary to compensate any Government employees in any way for the loss of approximately 11 per cent. in the value of their wages, the reduction of the ratio to 1s. 4d. would result in 1927-28 in a total worsening of our position by 5.26 crores. I do not feel that it is my duty to-day on behalf of the Government to make suggestions how the resulting deficit of 1.56 crores should be provided for.

Changes in taxation.

The surplus of 2.70 crores is arrived at on the basis of the existing level of taxation. With 5.45 crores of Provincial contribution apart from Bengal's contribution of 68 lakhs still unliquidated, it is obvious that we cannot afford to give away any important portion of the surplus in reduction of taxation if we are to live up to our declared intention of directing our financial policy to the reduction and eventual extinction of the Provincial contributions as soon as may be. We are, therefore, not yet in a position to make full use of the valuable report of the Taxation Enquiry Committee whose recommendations the Government and the country have been studying during the past year. I shall, I hope, have the approval of the House in saying that our general policy as regards taxation ought to be directed first towards a more equitable distribution of its incidence, so far as that may be attainable with due regard to the other canons of taxation, and the abolition of those imposts which are obnoxious in principle, such as some of the existing export duties, and that, when our finances permit, we should aim at a gradual reduction of taxation to a level which will give some relief to the tax-payer and leave a larger margin available for the Provincial Governments' needs. Once the Provincial contributions have been extinguished, we shall find ourselves in a freer atmosphere in which we can consider the question of taxation entirely or almost entirely from the standpoint of

the Central Administration. With a surplus of 3.70 crores, the House will, I think, not desire us to propose additional taxation for the purpose of increasing the surplus. In 1937-38 therefore, we clearly cannot do more than effect minor changes, the net results of which will not be seriously to modify the surplus of revenue over expenditure.

Export duty on hides.

The first proposals which I have to put before the House in regard to taxation affect two of our existing export duties, the export duty on hides and the export duty on tea. The export duty on hides has been condemned by the Finance Commission and the Taxation Enquiry Committee as wrong in principle and dangerous in effect. The trade is at present in a depressed condition and the Government have for some years seen no justification for the retention of the duty except on purely revenue grounds. The export duty on hides, which is open to some of the same objections, is both more productive and less positively harmful than the export duty on hides, and we do not feel that we are in a position this year to propose its reduction or abolition. We do, however, propose the immediate abolition of the export duty on hides involving a loss of 3 lakhs of revenue.

Export duty on tea.

The export duty on tea brings in approximately 30 lakhs a year. Our finances clearly do not permit of its abolition unless we can find some means of compensating ourselves for the loss involved. Fortunately, we are in a position to make a proposal which will secure the disappearance of the export duty on tea with no ultimate loss to the revenue and at the same time other definite advantages to the producers of tea. The tea companies are now assessed to income-tax on 25 per cent. only of their total profits, the balance being regarded as agricultural income and therefore not liable to income-tax. The proportion of 25 per cent. was based on imperfect data and later enquiries show that the non-agricultural profits of the tea companies amount to at least 50 per cent. of the whole. The Government, therefore, propose that the export duty on tea should be abolished and that the tea companies should in future be assessed to income-tax at 50 per cent. of their total net income, subject to the proviso that where there is a market for green tea and the non-agricultural profits can be exactly ascertained, income-tax should be assessed on the total of such non-agricultural profits. The abolition of that export duty on tea costs us 50 lakhs. We expect to get an additional 45 lakhs from income-tax on the non-agricultural profits in 1937-38 rising to 80 lakhs in 1938-39.

Import duty on motor cars, etc.

The next proposal which the Government have to make is one which will, I hope, be universally popular. We propose that the import duty on motor cars should be reduced from 80 per cent. to 20 per cent. "ad valorem" and the import duty on tyres from 30 to 15 per cent. After making allowance for the stimulus to imports which this reduction of duty is expected to give, I estimate the cost of this proposal at 10 lakhs only. The reduction is in accordance with the views of the Taxation Enquiry Committee which rightly drew attention to the importance of encouraging the development of motor transport in India. Neither the Government nor, I think, the House would feel perturbed if the Provincial Governments seized the opportunity of this reduction of the import duty to impose Provincial taxation on the users of motor cars for the improvement and development of their systems of road communication.

Import duty on rubber seeds.

There will be found included in the Finance Bill a provision for removing to the list of articles which can be imported free of duty rubber seeds and rubber stamps which are at present subject to a duty of 15 per cent. "ad valorem." The proceeds of this duty are inconsiderable but it is hampering an important adolescent industry in Burma, whose production promises to become an increasingly valuable item in our export trade. The Government of Burma have made a special representation to the Government of India in support of this concession. We are very glad to be in a position to meet their wishes.

Stamp Duty on Cheques.

I have one more proposal to make for reduction. The Government have decided to accept the recommendation made independently in several quarters and endorsed by the Currency Commission that the stamp duty on cheques should be abolished. With a view to the development of the banking habit in India, we propose at the same time to abolish the duty on other Bills of Exchange payable on demand. For the moment, we do not propose the abolition of the stamp duty on Bills of Exchange not payable on demand which requires further consideration and will involve a loss of about 25 lakhs of revenue. It will be desirable that the abolition of the stamp duty on cheques and

Bills of Exchange payable on demand should not come into force until the 1st of July next in order to give the banks time to make the necessary preparations. The cost of the abolition of the duty on cheques in a full year will be 7 lakhs but it is to amount for the nine months in 1927-28 to 5 lakhs only. This loss falls on the Provincial Governments but does not make any very material difference even to these Governments such as Bengal and Bombay, where the bulk of the duty is collected. In these circumstances, the Government do not think it necessary to compensate the Provincial Governments for the temporary loss of revenue involved, partly in view of the relief which will be given to those Government in other directions, as the House will presently observe, and partly because we hope to be in a position a year hence to bring forward proposals for a division of the Stamps Head into Central and Provincial, coupled with a revision of the Devolution Rules which will fully make good to the Provinces what they will give up under the head "Stamps." The cost of abolishing the duty on other Bills of Exchange payable on demand will fall on Central Revenue, but will not be considerable, and I have felt it unnecessary to make any special provision for it.

Import Duty on Tobacco.

Apart from the loss of 5 lakhs owing to the abolition of stamp duty on cheques which will not affect the Central Government's Budget, the proposed reductions and changes in taxation involves a diminution of our revenue by 24 lakhs. In order partially to cover this loss, the Government propose to increase the import duty on unmanufactured tobacco from Rs. 1 to Rs. 1-8 per lb, an increase which is fully justified on statistical grounds and while giving some additional production to Indian grown tobacco, will not materially affect the Indian cigarette industry which is now in a strong position. I expect to obtain 19 lakhs from this source.

The net effect of these measures on our estimates for 1927-28 will be a reduction of 5.4 lakhs under the head Customs, and an increase of 45 lakhs from Taxes on Income, with the result that our surplus will then stand at 5-44 crores.

Provincial Contributions.

The natural use of a mounting surplus is to reduce Provincial contributions. I propose, and I am sure that the House will unanimously agree—that our surplus should be devoted to a permanent reduction by 3 and half crores of the Provincial contribution distributed in strict accordance with the provisions of the existing Devolution Rules. This will leave only 1-25 crores of the contributions unutilised, excluding the Bengal contribution. Bengal is entitled to a share in the recurring remission of 3 and half crores to the extent of 9 lakhs, so that her contribution of 68 lakhs will be reduced to 10 lakhs. As, however, Bengal will not be paying any contribution during 1927-28, the actual cost to the Government of India of the permanent remission of 3 and half crores of the Provincial contributions will amount only to 2-41 crores in 1927-28.

Unfortunately the amount of our surplus is not sufficient to enable us to make a clean sweep of all the Provincial contributions. It falls short of the amount required by 1-31 crores. It is an interesting coincidence that the deficiency is approximately equal to the amount of revenue sacrificed a year ago when the Cotton Excise Duty was remitted. Even more unfortunate is the fact that the permanent remission of 3 and half crores, while bringing welcome relief to every Province, leaves 37 lakhs out of Bombay's contribution of 86 lakhs still unliquidated. The Bombay Government's Budget is, I am sorry to say, in a very unsatisfactory state. Bombay is faced with a considerable realised deficit on the working of 1926-27 and is under the shadow of a further estimated deficit of 51 lakhs in 1927-28 on other than Development transactions, which will be reduced to 33 lakhs by the remission of 19 lakhs of her contribution, this being Bombay's share of the 3 and half crores. The Bombay Government have made a very strong appeal for help to the Government of India. It is needless for us to embark upon a critical examination of the causes of Bombay's difficulties. Even though we might be inclined not to acquit Bombay altogether of responsibility in the matter, we must in fairness recognise that the existing Devolution Rule 15 regarding the grant to the Province of an interest to the proceeds of Taxes on Income which was designed for the benefit of Bombay and Bengal in particular, has altogether failed in its purpose. Any special claims Bengal might have urged in this connection have been liquidated by the Bill already accorded; she has been relieved from 1923-23 onwards of the payment of any part of her annual contribution of 68 lakhs, a gift of the aggregate value of 315 crores up to 31st March 1927. The only corresponding gift made to Bombay was a special non-recurring reduction of her contribution of 23 lakhs for the year 1925-26 only.

In these circumstances, the Government of India have been convinced that a very special effort ought to be made in 1927-28 on Bombay's behalf. We are equally convinced

of the inexpediency of altering the existing Devolution Rule for the distribution of relief among the Provinces in a way which would help Bombay at the expense of other Provinces. Some other solution must be found and the Government of India propose to find it by having recourse to the realised surplus of 1926-27. This amounts, as I have already stated, to 2.10 crores. After careful consideration, we have decided that the best way out of our difficulty will be to use a part of this surplus for the purpose of remitting the whole of the remainder of the Provincial contributions for the year 1927-28. This procedure will permit us to meet Bombay's needs in full measure and enable her to balance her Budget for 1927-28 without in any way infringing the rights or arousing the resentment of any of the other Provinces. On the contrary, it will bring them additional and welcome relief. It will carry with it relief to all the Provinces from any liability to pay any contribution to the Central Government in 1927-28. I may add in order to make the story complete, that we propose also to relieve Coorg of her contribution of Rs. 12,000.

These measures will exhaust the surplus in the Central Government's Budget for 1927-28 and reduce to 1.29 crores the estimated surplus in the revised Budget of 1926-27. The proposals so far made regarding the Provincial contributions, while fully meeting Bombay's needs for 1927-28, do nothing to make up to her for the disappointment of her expectations regarding a share in the proceeds of taxes of Income under Devolution Rule 15 in the past year. In order that the Bombay Government may not feel that we are deaf to her claims on this account, we propose further that a sum of 28 lakhs out of the still remaining surplus for 1926-27 should be devoted to relieving Bombay of one-half of her contribution of 56 lakhs for the current year. We propose to couple this special concession with the condition that her Budget for 1927-28 shall show a balance on the right side. I am glad to know from the figures of the Bombay Budget presented in the Bombay Legislative Council last week, that there is every prospect of this condition being satisfied.

There remains a sum of 1.01 crores still left unallocated out of the realised surplus of 1926-27. I have already observed that the inauguration of the Reserve Bank in 1928-29 may cause some temporary diminution of the Central Government's revenue. It would be undesirable, if we can avoid it to make any special call on the tax-payer for the purpose of tiding over temporary Budget difficulties connected with the financing of the new Gold Bullion Standard and Reserve Bank. The Government accordingly propose to utilise the remainder of the realised surplus of 1926-27 as a nest egg either for the purpose of relieving the Budgets of 1928-29 and 1929-30 of temporary charges incident to the inauguration of the new currency system or for the purpose of increasing the strength of the reserves to be handed over to the Reserve Bank as cover for the note-issue or for both purposes, according as circumstances dictate.

Revenue Reserve.

The procedure which we propose is to open a special Deposit Account and pay into it the whole of the realised surplus for 1926-27. In the estimated receipts for 1927-28, there would be included a payment from this Account to revenue of the sum required to balance revenue and expenditure in 1927-28, on present figures 1.01 crores. The amount finally credited to revenue in 1927-28 would, however, be not this exact amount but such sum as may ultimately prove necessary in order to bridge whatever the final gap may be between the expenditure for the year and the ordinary revenue, apart from this assistance from the special reserve. In order that this may be done the Government propose to the House, at the time when the Finance Bill is taken into consideration, a special supplementary estimate covering the transfer to the surplus of 1926-27.

I desire to emphasise clearly the fact that the non-recurrent remission of the Provincial contributions must be regarded as definitely temporary, so that if a recurring surplus is not available a year, hence sufficient to enable us to make this remission permanent, it will be necessary either to restore the temporarily remitted contributions wholly or in part or else to propose fresh taxation.

The House will recognise that even though the Government are formally safeguarded against the accusation of counting unhatched chickens by the provision that the final portion of the Provincial contributions is remitted for one year only, they are clearly taking the risk that if the monsoon of 1927 is specially unfavourable, both the Government and the House, and in a special degree the Finance Member, will be faced next year with difficulties which will in a measure be self-imposed.

Our proposals are also open to another objection which I should be the last to minimise. They involve a diversion of the realised surplus of 1926-27 from its proper application to the reduction or avoidance of debt. The House will, I am sure, do me the justice of recognising that I have not been backward in insisting on the virtues of

strictness and purity in the matter of debt redemption. My defence for this lapse from virtue must be that complete liquidation of our liabilities to the Province in respect of Provincial contributions is a very big prize, justifying a very special effort, and that a succession of realised surpluses has enabled us to outdistance our own fixed programme of debt redemption in the last few years, and that the fixed programme remains unmodified and involves us in any case in a charge of 5.12 crores for reduction or avoidance of debt in 1927-28. We can, I think, justifiably make this concession without denying our principles, in order to secure the advantage for India, economic and social, and the stimulus to the successful working of the reforms, which will flow from the release of 5.45 crores of revenue to the Province for expenditure on those nation-building services which all true friends of India and of the Reforms have so deeply at heart.

Finally, we should not be unmindful of the fact that so long as Provincial contributions remained unliquidated, the occurrence of a bad monsoon, which would affect Provincial finances more directly and more severely than Central finances, would make the position of the Central Government an uneasy one in the face of demands from the Provinces for assistance from the Central Budget,—a state of affairs which will be fundamentally changed once we have ceased to exact any contributions. From the standpoint of our Ways and Means Budget, the complete release of the Provincial contributions make less difference than might at first sight be expected. It is improbable that the Provinces will find it expedient to embark immediately on heavy additional expenditure, as time will be required for working out plans and programmes. Indeed, so far as the year 1927-28 is concerned, I anticipate that the surplus of 1926-27 will, in effect, remain in our balances and be available temporarily for the avoidance of debt, so that the amount of new money which we shall ask for from the market, when we issue our Rupee Loan in the summer, will not be increased as a result of these proposals.

Let me sum up the Government's plans for dealing with the surplus of 1926-27 and 1927-28. The current year's surplus of 3.10 crores will be reduced to 2.33 crores by the special remission of 38 lakhs of the Bombay Government's contribution for 1926-27. This sum of 2.33 crores will be transferred in its entirety to a special reserve so that the revised estimate for the current year will not exhibit either a revenue surplus or a deficit. The next year's surplus of 3.64 crores will be supplemented by such sum, at present estimated at 1.81 crores, as may be required to be transferred from the special reserve in order that the out-turn of the year 1927-28 may also show neither a deficit nor a surplus. The credit balance in the special reserve at the close of 1927-28, at present estimated at 1.01 crores, will be kept in hand as a nest egg for use in connection with the inauguration of the new Gold Bullion Standard and Reserve Bank.

Concluding the Finance Member said :—

Each of the three Budgets laid before the Second Assembly was not only balanced at the time of its introduction but has presented India with an appreciable realised surplus of revenue over expenditure. The necessity of reducing the salt tax from Rs. 2-8 to Rs. 1-4 per maund in the Budget of 1924-25 postponed the beginning of the remission of the Provincial contributions. The Budgets for 1925-26 and 1926-27, relieved finally of the uncertainties of Railway Finance by the separation of the Railway Budget from the General Budget, effected a reduction in the Provincial contributions amounting to 2.75 crores or, if the Budget contribution be included, a reduction from 9.83 crores by 4.88 crores to 5.45 crores. In addition, the Budget for 1926-27 signalled the demise of the unlamented Cotton Excise Duty. In the first Budget, this new Assembly has before it proposals for the complete extension, at any rate so far as the year 1927-28 is concerned, of the Provincial contributions.

I account it a great stroke of good fortune for myself and a happy augury for the financial work of the new Assembly that its first Budget should be the first since the Reforms in which our revenues are independent of assistance from the provincial taxpayer. Ever since the Reforms were inaugurated the Provincial contributions have been a millstone round the neck both of the Central Government and of the Provincial Governments of India poisoning their mutual relations and hampering their every action. Their quality even more than their amount, has strained the resources of the giver and the patience of the recipient. They have brought curses, not blessings, both to him who has given and to him who has taken. The year 1927-28 sets India free from this incubus.

It is true that final and complete freedom has still to be won and that we are still relying on the Budget of 1928-29 to consolidate the ground now occupied. The year before us must be devoted to a further and final effort to this end. But meanwhile the Provincial Governments will have at their immediate disposal large additional resources and they can turn confidently to the work of framing projects for the advancement of the

well-being of their citizens. Governments and, in particular, Finance Departments, and even Finance Members, are often taunted with being heartless and inhuman, and it is doubtless difficult and occasionally dangerous, to wax sentimental over figures. There is nothing to capture the imagination or stir the emotions in the figure of 5.45 crores. But what romance lies behind this figure when it is translated into spending capacity in the hands of the Ministers in the Provinces! It is always wise, when discussing figures and accounts, to remember that money represents nothing more than a power to command goods and services. The programme of educational expenditure in the territories directly administered by the Government of India, to which I referred earlier in my speech, involves over a period of 5 years a total expenditure recurring and non-recurring, of 68 lakhs. In addition to improved accommodation and a higher standard of teaching for hundreds of existing schools and thousands of existing scholars, these 68 lakhs represent something like 600 new schools and 30,000 children brought within reach, for the first time, of the privileges of education year by year. What will 5.45 crores a year, transferred into goods and services, available year by year in the hands of the Provincial Governments, mean in the promotion of human happiness, in the prevention of preventable disease and ignorance, in the widening of the opportunities for a good life for many crores of the people of India! It is in the belief that by the acceptance of this Budget, Members of this House have it in their power to promote the health and happiness of millions of the masses of India that I commend the Government's proposals to the House and to the country".

Civil Aviation Grant Passed.

There was a fair attendance on the next day the 2ND MARCH, when the House met with an important motion, being a Supplementary demand of Rupees ten lakhs for Civil Aviation. Sir B. N. Mitra made a long speech in commending the motion. He said that the money now asked for was really for acquisition of land for a future air harbour. The Standing Finance Committee had agreed to this subject to the question of policy being accepted by the Assembly. The essence of the policy was to ensure that India shall have an effective voice in the conditions on which contracts are given for services touching her shores and that opportunities were afforded for the investment of Indian capital and for training and employment of Indian pilots and personnel. From the questions put in this House, it was evident that members were taking great interest in the question of aviation. The Assembly itself ever since its establishment in 1921 has been voting money year after year for expenditure on measures which received the approval of the Standing Finance Committee. Aeroplane transport services were started in various parts of the world mostly in 1920 and since then Europe had about eighteen thousand miles of air lines in place of six thousand miles, America about eight thousand miles in place of 2,600, Africa 2,600 in place of 900 and Australia and Asia where there were no air lines in 1920 had 3,300 and 1,800 miles respectively. An important advantage of aerial over surface transport was speed. To the businessman, time was money and economy of time was of great advantage in regard to goods traffic. Aerial transport had other advantages over surface transport. Carriage of goods by air had several important advantages, particularly in the case of transit between different countries. After explaining the growth in air services in Great Britain under which the number of passengers and quantity of goods carried had increased, Sir B. N. Mitra said that in Australia the air services were now a useful and important feature of regular transport system. Japan too had taken up an elaborate programme of development of civil aviation which would take 20 years to complete. Aeroplanes had been used in certain countries for administrative purposes such as forest fire protection, survey of tracts, anti-malarial operations, ambulance and medical duties etc. It was, therefore, undesirable that India should lag behind other countries. Imbued with a spirit of progress India which was a continent even more largely benefitted than most other countries by the development of her air transport. As a matter of fact Burma Government was already making use of air service for the survey of about 1,400 miles of forest and Creek country in the Irawadi delta. With the development of air services between England and India, the transit between the two countries would take only five or six days, that between Bombay and Calcutta less than 12 hours, of Delhi Calcutta and Bombay within nine hours, Madras in a straight route would be a little more than 12 hours' journey and if night flying develops Bangkok would be reached within 24 hours.

Proceeding, Sir Bhupendranath Mitra said that however poor India might be, she could not wholly overlook the need for the development of her aerial transport. Unless India took an active interest in this matter, there was the real danger of this transport passing into the hands of foreign capitalists to whom India could not refuse the right of flight over her territory under terms of International Air Convention. He corrected the impression created by Dewan Chamanlal that the policy was to help England's supposed military adventures in the Far East. In the Budget of 1927-28 they had provided for the expenditure of about Rs. 4 lakhs of which only Rs. 70,000 was recurring and the balance was non-recurring.

Concluding Sir B. N. Mitra explained the details of the scheme as already published and said the air harbour at Karachi was being constructed with financial assistance from British Government and it was only proper that the Government of India should later on take over the harbour by paying back to the British Government the money they are spending on it. Apart from four main air harbours at Karachi, Bombay, Calcutta and Rangoon, it will be necessary gradually to provide a chain of aerodromes across the main air routes. With the approval of the S. F. O. A. a sum of Rs. 1 and a half lakhs has been entered in the budget for 1927-28 to meet expenditure on the acquisition of land for intermediate aerodromes on the main route from Karachi to Calcutta and Rangoon. An additional reason for incurring this expenditure at an early date was to enable the Government of India to exercise some control on the route adopted by foreign aircraft in their flights across India. This foreign aircraft has nothing to do with the Imperial Airways Company nor is it engaged on commercial flights, there being as yet no commercial air route traversing India. It is engaged on what is known as experimental, world flights.

After some discussion the Assembly passed the demand of Rs. 10 lakhs and adjourned till the next day when the Budget was discussed.

General Discussion of the Budget.

On the 3RD MARCH, the House re-assembling, Mr. Rangaswami IYENGAR, General Secretary, Congress Party initiated the general discussion on the budget. Mr. Iyengar said that the budget had left him in a depressed state in spite of the Finance Member's sound financial methods. The House had repeatedly failed in its attempt to exercise its power on account of certifications. The Government, instead of enhancing their powers, was curtailing them. He complained specially of a large number of votable items which the Government had made non-votable such as passage money, travelling allowances and pensions of officials. Why should the Assembly be considered incompetent to deal with questions of the carpet in the Government Houses in Calcutta and state carriages and motors of the Governor-General? It was quite clear that the Government did not trust this House. The Government had thus been going on crippling the powers of the legislature both here and in the provinces. It was a travesty of truth to say that this Assembly had the power to conduce to the happiness of the masses.

As for the main budget, he said the tale of realised surpluses was that of over-estimating of expenditure and under-estimating of revenue, a tale which Mr. Gokhale was the first to raise in the Imperial Legislative Council, the defect of which had never been rectified. The Finance Member should have, instead of starting his provincial loans fund and debt redemption scheme, given relief to the tax-payer. Then again he protested against the proposed abolition of export duty on hides. His province had the industry of hides and skins alone to boast of and the present protection was thus proposed to be withdrawn. He had received a protest from the Hides and Skins Merchants' Association.

Mr. G. D. BIRLA said :—"The Finance Member, when presenting the Budget, announced with no little jubilation amidst cheers from treasury benches that he was in a position to place before this House a surplus budget for the fourth year in succession. I wish, Sir, I also had felt as joyful as my friends opposite on this occasion and had been in a position to swell the chorus of congratulations to the Finance Member. But my difficulty is that I cannot help feeling that although we have had the fourth surplus Budget in succession we did not have it without resorting to a large increase in taxation which the Finance Member has been able to conceal through his manipulation of exchange. Taking figures for 1924-25 we find the net expenditure in the year was Rs. 124 crores which at the gold rate of 1s 2-9-16d, ruling on 1st March of the year amounted to £ 80 millions. The expenditure budgeted for 1927-28 is 125 crores or

7 crores less than in 1924-25, so far as rupee figures go, but expressed in terms of gold this 195 crores at the exchange rate of 1s. 6d. comes to £98 millions which means we shall be spending in 1927-28 £18 millions more than we spent in 1924-25. Sir, to quote the Finance Member himself, money represents nothing more than power to command goods and services and that being so he cannot deny that he has already in the years 1925-26 and 1926-27 exacted from the taxpayer about £ 30 millions more than what he got in 1924-25 and by the end of 1927-28 he will have added another £ 13 millions to this exactation. In other words, in the triennium 1925-26 to 1927-28 he will have taken from the country about 43 millions or Rs. 64 and half crores more than he took in the year 1924-25. The real surplus in 1927-28, if expenditure were kept at the level of 1924-25 should have been about £18 millions or about Rs. 20 crores, which in the Budget presented to the House is only Rs. 8-64 crores. It did not require any great skill to present a fourth successive surplus budget with enormously concealed increased taxation and I do not know whether the Finance Member should claim any credit for it. It speaks volumes for the present unsatisfactory state of things that by means of manipulations the Finance Member has been able to exact such huge amounts as taxation without the knowledge and consent of the Assembly.

Sir Victor SASOON'S speech on the budget discussion was important as it dealt with a statement on the effects of 1s. 4d. rupee as he did in the Railway budget and was restricted to that subject during the short time at his disposal. Before doing so, he referred to the remark of the Finance Member in reference to the amount of revenue he has foregone by remission of the cotton excise duty. Sir Victor said :—"I sensed a note of disappointment in that the mill industry has not expressed, shall I say sufficient, lively spirit of gratitude for the relief afforded to it and I do feel that some explanation is due to the house for any such lapse. It may be that any lack of warmth is due to the fact that though the remission of duty relieved us of 8 and half per cent of the cost of our product, the exchange policy of the Government has penalised us to-day by over 5 and half per cent. In other words we have been given what is known as an Irishman's rise. I wonder whether if to-day it were announced that the leader of the house were to be given an increase of salary of Rs. 600 p.m. provided that he paid Rs. 1,000 a month more for a comfortable residence leased to him by a beneficent Government, I wonder whether we should see tears of joy coursing down his cheeks? I doubt it and that must be my excuse for any lack of warmth in the expression of gratitude on the part of mill industry.

Now, let me turn to the statement. As to para 2, I will content myself with saying that as fall in the cost of living has been negligible during rise from 1s. 4d. gold to 1s. 6d. gold I see no reason to anticipate readjustment of an adjustment to a ratio which has never taken place. In para 3 (a) I accept the statement that there will be an extra expenditure of rupees necessary for sterling obligations, but I cannot accept the estimate in 2, (b) of a 7 and a half per cent increase in the costs of local produce. Experience has shown them that prices have not adjusted themselves in the aggregate except to a trifling degree to the 1-6 ratio and so I would suggest dividing the estimate by about 4 and allowing say Rs. 80 lakhs instead of Rs. 112 lakhs. I now pass to 4 (c). Here the author of the statement trots out the bogey of general dislocation of trade whose parents are the two bogeys called sudden rise in prices and financial effects of a sudden drop in exchange or the Sir Basil Blackett bogey. I have previously shown the house how little the cost of living has dropped through rise in exchange and how little it, therefore, is likely to rise through proposed exchange readjustment. That disposes of the bogey of high prices as far as the consumer is concerned. Now for the bogey that a sudden drop of 3d. to 1s. 4d. would cause an acute crisis, I ask how? To-day importers have, I have been creditably assured, covered all their forward commitments. They have learnt the lesson of not trusting Government assurances and are now not gambling in exchange. A drop in exchange, therefore, would on the contrary, engender confidence in a body of merchants who have been having a very thin time during the last few years and by stimulating business offer an opportunity to the large class of unemployed clerks of finding new situations and thus be in a position to earn their daily bread once again. I therefore see no reason for estimating a deficit of crore in returns due to dislocation of trade. On Messrs. Hardy and Tottenham's minute, one need not waste time. If we take Mr. McWaters' note to the Currency Commission, we find the estimated gain to customs through a return to 1s. 4d. rupee as being Rs. 202 lakhs. He assumes admittedly no diminution of imports. The authors of the joint memorandum, Messrs. Hardy and Tottenham give what diminution they consider will ensue and by this means turn Mr. McWaters' profit of Rs. 263 lakhs into a loss, a difference of Rs. 585 lakhs. I will only say that if the effect of a 11 per cent rise in

C. I. F. prices of imports is going to have all that influence on consumption, a drop all round in import duties under 14h. 6d. rupee should increase the net return to the Government appreciably.

Next day, the 4TH MARCH, resuming the Budget discussion, Mr. Shanmukham CHETTI contends that the form in which the budget was presented was greatly misleading and the confusion would be removed if the net contribution from the Railways was included in the budget. Further, he wanted that a Railway loan fund be instituted on the lines of Provincial Loans fund.

Continuing, Mr. Chetti asked if the Government has taken any steps to receive from the Persian Government Rs. 5 and a half crores given them as loan. This was given in a year when the Viceroy doubled the salt tax. During the last three years, the realised surpluses had amounted to Rs. 15 crores and utilised for reduction or avoidance of debt. The taking away of this huge sum from the revenues of the country setting apart for reduction of debt in addition to permanent remissions made for sinking fund was a matter on which this House could not congratulate the Finance Member, but he unreservedly congratulated the Finance Member on the clever manner in which he managed the ways and means budget during the last few years, especially the reduction of cash balances in England which latter alone had been brought down from 16 crores. But the Government had been spending more money than they ought to and they had been enabled to do this by artificial appreciation of the currency because the expenditure had increased in terms of gold from 78 million pounds to 98. Though he was keenly alive to the much needed relief to the Madras province, yet if the remission of contributions was to be purchased at the cost of permanent injury to India's monetary system then, he for one would refuse to be a party to such an arrangement.

Sir Purushottamdas THAKURDAS felt it his duty to his constituents and his country to criticise the budget on a few points. As regards the abolition of export duty on hides, his objection now was of course greater than when the Government once attempted to reduce the duty. He would, however, bring in an amendment to the Finance Bill. As regards the abolition of export duty on tea, he did not object to it provided the Finance Member was able to convince him that the income-tax Government proposed to raise on profits of tea industry would not mean any injustice to the industry.

As regards remission of the provincial contributions he would not congratulate him because the money now proposed to be distributed was taken from poor agriculturists twenty times more under a policy which Gladstone once described as law of force. Any province which thought it was a gift from the Central Government was labouring under a very wrong impression. He would not be surprised if those who understood the problem should show the ingratitude of refusing the gift. Could Sir Basil Blackett give the Assembly an assurance that the whole of this remitted portion of contributions would be utilised by Ministers in Transferred departments and not be taken away by Reserved departments in the provinces?

Alluding to the effect of one and four ratio, Sir Purushottamdas said that it was admitted by the Government that they gained Rs. 5.27 crores if they had 14h. 6d. ratio. Thus, as Sir David Barber once pointed out, just as much as the Government of India gained by the appreciation of rupee there was so much that people lost. Yet Sir Basil Blackett had talked of the romance of 600 schools and 80,000 children and asked the House to multiply them proportionate to the figure of the remission of contribution. But behind this romance lay the tragedy for the Finance Member's policy which was disastrous. What was the use of education when people were hungry and in a condition of semi-nudity? (Hear, hear). He wondered if this House could be a party to a policy of maintaining a surplus budget on the maintenance of a ratio of 14h. 6d. only. For the sake of prestige, of course officials as well as a few non-officials had been congratulating the Finance Member but he had to do his duty to his motherland.

Pandit MALAVIYA urged the Government seriously to consider reduction in military expenditure so as to bring it down in a few years to fifty crores. He suggested economy by placing British by Indian troops and that all British troops leave India. He did not agree with those who held that British troops were necessary for meeting communal troubles. His belief was that the only solution of these problems was for the Government with the help of the leaders of the people to bring about a settlement. Pandit Malaviya next impressed on the members the desirability of their solemnly realising the importance of the ratio controversy on which much active canvassing was going on. He wanted both sides to consider the whole issue with a clean slate and adopt whatever course was in the best interest of the country. From whatever study he had made of the subject he believed that 1-6 would prove disastrous to the country. He quoted from

the speech of Mr. Dadabhai Naoroji at the Allahabad Congress in 1901 when he spoke against closing down of the mint and also from Sir Dadiba Dala's minority report in 1919 which put the case for 1s. 4d. most soundly and the Pandit accepted the view of Sir Dadibha.

In summing up the discussion, Sir Basil BLACKETT said many members had urged that more money should be spent on such subjects as sugarcane and dairy-farming. The constitution debarred the Government of India from raising money from the general taxpayer in order to enable it to encroach even for beneficent purposes on the sphere of provincial Governments. It might be that the line was too rigidly drawn and more power might be needed for extending its activities into borderline cases. This was a matter for the Statutory Commission. For the present the relief in provincial contributions was to promote the well-being of the inhabitants of the provinces. He was glad Mr. Vishandas agreed with the Government in thinking that reduction of motor duty would be beneficial to the whole of India by enabling them to develop and improve the roads. Such development and improvement might also help in the reduction of military expenditure, because in that case there could be a less number of lorries in reserve for the army. He emphasised that on the present strength of the army the expenditure could not be reduced without impairing efficiency. He could not hold out the hope that there would be reduction in this expenditure in years to come if the army was to be kept at its present level. He did not want to be told that the Finance Member was standing in the way of keeping the army efficient. Proceeding, Sir Basil Blackett referred to the plea for reduction in postal rates and said his personal view was that with the general increase in the cost of living and legitimate demand for a higher standard of the comfort of the postal employees, a reversion to very low rates prevailing before the war was not practical politics. It could not be secured without a heavy and increased and unjustifiable subsidy from the general taxpayer largely for the benefit not of the agriculturists but of the commercial and industrial customers of the Post Office. At any rate the reduction of postal rates and salt duty could not be taken up until provincial contributions were released finally. Since 1924-25 the remission of taxation and contributions amounted to 15 crores which was by no means inconsiderable.

Proceeding, the Finance Member referred to the argument that though the revenue figure of the Government of India expenditure might have come down in recent years the gold value of the rupee demanded from the taxpayer had not diminished. It was true that a great rise in prices, that is a great fall in the commodity value of gold before and after the war, was a major factor in bringing about the increase and that the restoration of the equilibrium in the Budget had been materially assisted by a fall in world prices, not by exchange. Even now the prices were fifty per cent higher than in 1924 and this fact together with the cost of interest in sinking fund and war debt provided the main explanation for the increase of Government expenditure. The rise in exchange had supplemented the effect of the fall in world prices in helping to restore the Budget equilibrium.

Alluding to the charge that the Government had manipulated exchange, the Finance Member said that at present the Government were the authority to manage currency or manipulate currency as unofficials would put it. Up to the time of the appointment of the Currency Commission his chief contribution to the management of currency was to prevent the rupee from being driven up and far beyond 1s. 4d. and in order to do this he had to resort to vigorous methods of management. Neither in preventing the rise above one and six nor in retaining the rupee at one and six were Budget considerations mainly in his mind; but it was to the stability achieved that they owed the balanced budget and ability to remit provincial contributions. A sudden drop to 1s. 4d. would play havoc with the budget. Mr. Birla's theory that a sudden increase in the price of imported articles led to an increase in the quantity of imports had only to be stated to be rejected as contrary to all experience. The Central Board of Revenue were right in anticipating a considerable fall in imports if the exchange was lowered to 1s. 4. Mr. J. Brayn's estimate was purposely an underestimate. His own view was that both the assumption that the wages would not have to be increased immediately and the assumption that they should not have to pay a much higher rate for new money owing to a check to their credit were entirely untenable and the effect of 1s. 4d. on the Budget for the next year would be not less than seven and a half crores and something like ten crores in 1927-28.

(FURTHER PROCEEDINGS OF THE ASSEMBLY WILL BE GIVEN IN THE SUB VOLUME.)

The Bengal Legislative Council.

OPENING DAY—10TH JANUARY 1927.

The first meeting of the Third Reformed Bengal Legislative Council was held on the 10th January 1927 in the afternoon in the Council Chamber, Calcutta. The only business transacted was a formal one, namely, the taking of oaths of allegiance by the members of the Council. With the exception of only a few, almost all the one hundred and forty members attended the Council. The House then adjourned to meet on the next day, the 11th January to hear the opening address of H. E. the Governor. In the course of his speech dwelling on the revival of Dyarchy His Excellency said :—

The Governor's Speech.

"Its labours would constitute the latest material upon which the Parliamentary Commission would base its recommendations for the future. During the next two months, the Council would take decisions which would largely determine the influence of Bengal upon the future development of the Indian Constitution. Revocation of the transfer of subjects by the Secretary of State during the life-time of the last Council would come to an end on the 31st January and they should decide whether they wished that revocation to continue or whether they wished to resume control of the transferred subjects through the medium of Minister. It would be for him to interpret the action as they might take. In order to give the Council the earliest opportunity of expressing its wishes on this matter, a demand for a supplementary grant for the salary of two Ministers would be submitted on the 17th January, which would enable the Council to indicate whether or not it wanted any Ministers to be appointed, and, if so, what rate of salary it was prepared to vote for their remuneration. If the demand was rejected, he would accept that decision as indicating the desire of the Council to see the revocation of the transfer continued and he would inform the Secretary of State accordingly. If the demand was accepted, he would interpret this as an indication of the desire of the Council to have a Ministry appointed and he would, thereupon, do his best to select such persons as appeared to have the confidence of those who recorded such a decision.

After recalling the appointment of three Ministers after the last two general elections and rejection of Ministers' salaries during the last Council, His Excellency said : "If the precedent of the previous years were to be followed, appointment of three Ministers would necessitate an unequal distribution of offices between Hindu and Mahomedan communities. In view of the regrettable riots which had recently taken place between these two communities, which for the time being had so embittered the relations between them, such a course appeared undesirable. In the present state of communal feeling in the province, he was reluctant to appear to favour either community at the expense of the other in exercising the prerogative of appointing a European as a third Minister. Increasing the number of Ministers to four or reducing it to two, of these alternatives, in the absence of any indication of the wishes of the Council, he had chosen the last. If the demand was accepted, two Ministers would be appointed but it would be open to the Council to indicate its preference for any of the other alternatives he had mentioned.

Turning to the opportunity which would be afforded to the Council to express its confidence or want of confidence in the Ministers, H. E. the Governor said : When the Council resumed for the consideration of the Budget in order that the Council might express its opinion of each Minister individually, the Government would show separately the salary of each Minister and any member would have the opportunity of expressing his want of confidence in either of the Ministers by moving a token reduction of one rupee in the salary demanded. If such a motion was carried, the Minister would resign. It would, however, be open to the Ministers themselves to decide whether or not they would stand or fall together. At present, the tradition of joint ministerial responsibility had not been established, but Ministers could elect to establish it if they so desired. If such a motion was carried and the Ministers resigned, the Governor would select others and further opportunity would be afforded to the Council of expressing its acceptance or otherwise of them when demands for grants for transferred subjects were reached. If a token reduction of one rupee in the demand for the first grant asked for by the new Minister for the department of which he was in charge was moved and carried, that would

again be interpreted as a vote of no confidence and would be followed by the resignation of the Minister.

Concluding, His Excellency said that Parliament looked to them as trustees of the constitution for practical demonstration of the working of the representative system of Government in this country and their countrymen would have reason to thank them if in addition to drawing attention to the defects of the present constitution, they could give practical proof of the adaptability to Indian conditions of the system of Government, which in theory, he believed, they all desired to establish. "In a few weeks' time I shall be returning to England and my countrymen will be sure to ask me how far my five years' experience has strengthened or diminished my faith in the applicability to Indian conditions of the system of responsible representative Government which they, equally with yourselves, desire to see established here as soon and as completely as possible. Of the defects of the present constitution, I have been provided with plenty of evidence. Of the lines on which it can be improved, opinion is far less unanimous and of the success of the experiment already made the evidence is more difficult to produce. I trust that in the lifetime of this Council of which you are members you will subordinate all personal and communal considerations to the necessity of proving beyond any doubt that Parliamentary Government can be made to bring to the people of India the same advantage which it has brought to the people who live in other parts of the King's Dominions."

After H. E. the Governor left, the Council elected the Raja of Santosh as its President and adjourned.

Motion for Ministers' Salaries.

On the 17TH JANUARY, the business of the Council was the election of a Deputy President and the demand of Rs. 24,775 on account of salaries of two Ministers from 22nd January till the end of the financial year.

The Hon'ble Mr. MOBERLEY in moving that a sum of Rs. 24,775 be granted under the "general administration" on account of the salaries of two Ministers with effect from 22nd January 1927 said that as the Council were aware no provision for the salaries of Ministers was made in this year's budget and in the absence of funds for this purpose, no Ministers could be appointed to take charge of the Transferred Subjects when the period of revocation came to an end on January 31. His Excellency explained in his speech on January 11 that if the demand which he was now moving was rejected, His Excellency would regard that fact as indicating the desire of the Council to see the revocation continued. If the demand was passed, His Excellency would interpret that as an indication of the desire of the Council to have a Ministry appointed. The issue was therefore perfectly clear. Acceptance of the demand meant there would again be Ministers; its rejection meant that there would be none.

Mr. Nalini Ranjan SARKAR, who moved the Swarajist motion for refusal, said that during the last term of the Council the Government attempted thrice to foist upon them repugnant diarchy and thrice they failed. The same question had been put before them and they have been asked if they were prepared to allow Government to exhumate the carcass of diarchy buried two years ago and to give it a fresh lease of life. It was not a request indicating a change of heart or invitation to co-operate on honourable terms, but a demand for unconditional subservience to Government in their unreasonable insistence that their own idea of value of this constitution must be anyhow upheld irrespective of the real interest of the people as they understood it. It was a test as to whether the Government has succeeded in breaking the spirit of resistance that had grown in them and could compel them to their third dictation. The regime of organised resistance in the legislatures initiated by Deshbandhu Das had unnerved the bureaucracy and the British public and they could know no peace of mind until they had crushed it. After recounting the reasons for the Swarajist attitude, Mr. Sarkar said that some of their friends who under the then circumstances accompanied them to the same lobby had now become agreeable to work the Reforms under the present circumstances and he wanted to know what change had been brought about. Not only had no change been effected to ease the situation but the Government had in the meanwhile heaped on them fresh injuries, as for instance the imprisonment of over a hundred of their young men without trial and refusal to repeal the repressive laws. Mr. Chittaranjan Das in his last days held out an olive branch and suggested honourable terms for settlement but the proffered hand of fellowship was not accepted. Might the speaker ask Mr. Chakravarti, leader of the Responsivists, whether he had received any response to the very simple and elementary conditions which he originally laid down as a basis for his acceptance of Ministry. Mr. Sarkar declared that in the atmosphere

which the Government had deliberately brought about by their recent series of outrage against public conscience and the spirit in which the Transferred Departments had been worked during the first term of the Reformed Council when the Swarajists were out of it, this constitution could not be worked at all to any purpose. It had been suggested that Congressmen were shirking responsibility. He did not know what responsibility could attach to a Minister who could not move an inch without the consent of the Governor, the Finance Department or the Secretary of his Department. Lord Birkenhead would not condescend to tell them how far he could meet their idea of responsible Government until they performed the impossible feat of working of the unworkable constitution. They know and the Secretary of State know that dyarchy had failed. Still at the point of bayonet, he would compel them to work. As representatives of a self-respecting people they could not but protest against and oppose this attitude. Refusal to accept office might or might not lead to any definite result in the immediate future, but at the present stage of their national struggle, that mentality was far more important than any positive result to be expected. To the Government he would say that even if by taking advantage of their disunity from they succeeded in gaining their object this time, the spirit of resistance in the country could not and would not be broken and would go gathering strength under the stimulus of their stubbornness till sooner or later it could compel justice and fairplay to the people.

Sir Provus Chunder MITTER, ex-Minister, said that he had not changed his views that dyarchy was extremely unworkable, but dyarchy was an existing constitution and they should work it for the benefit of the people. When he was a Minister, he had difficulties not only in the Government but also outside. If the Ministers had the backing of the country, they would have achieved more good to the country in spite of the defects of dyarchy.

Mr. J. M. SEN GUPTA, Swarajist leader, said that the Governor was illogical in asking them to support dyarchy before making a better constitution. Nowhere the salary of the Ministers was brought out without letting the people know who the Ministers would be. The object of the Government was to kill opposition and organisation of the Swaraj Party. Whatever might be the result of the motion, the spirit of opposition and organisation would not be killed even if dyarchy was resuscitated.

The Swaraj Party's motion refusing the entire sum on account of Ministers' salaries was lost by 24 votes to 38. The Hon. Mr. Moberley's demand for Rs. 24,775 on account of two Ministers' salaries was thus carried. The Council was then prorogued sine die.

The Budget for 1927-28.

The Budget Session of the Bengal Council commenced on the 21ST FEBRUARY. In introducing the budget, the Finance Member said that with the disappearance of the disturbing factors and better insight into the working of the departments, we have now got down to a more normal basis and as the result of that we have found ourselves in a better position to determine more accurately our true financial condition and the amount available for schemes involving "new" expenditure.

After stating the figures for receipts and expenditure, the Finance Member touched briefly on the main items of expenditure. He said: We continue the special grant for improvements in our Government estates as well as the expenditure on the colonisation schemes in Sunderbans. Excise expenditure shows little variation. The estimate is in fact below the budget provision for the current year. We have had a good increase in revenue from our forests. Provision has been made for charges on account of the Damodar Canal project, flushing of Bishrabad Insarpur sub-division of Nadia, improvement of the Gobra Nala in Murshidabad, measures of protection in Ghatal sub-division and operations in Madaripur Bhil route. The only new proposal of any magnitude is the Bakreswar irrigation project in the district of Birbhum. This will irrigate about 10,000 acres of land. The most important new item in the Jail Budget is the scheme for a Borstal institution. The idea is to convert the Jail at Bankura into a Borstal institution and to provide a Sub-Jail at this place for ordinary jail administration. Until the Borstal Act is brought into force, it is intended to concentrate all persons between the ages of 16 and 21 with comparatively long sentences in this institution. The police budget is some what higher than the revised estimate for the current year.

The main new items of expenditure centre round better equipment of the force, inclusive of better and more adequate housing conditions. There is also a proposal to strengthen the striking strength of the Calcutta Police force by the creation of an additional

company of armed police. We intend also to commence work on construction of our own buildings to house married officers and servants whom we now have to accommodate in hired buildings at considerable expenditure to the Government. Education came in for a very substantial share on money allocated for new expenditure. The chief item is further instalment of submissions towards improving the remuneration of primary school teachers. A large amount has also been set apart for the introduction of a scheme of agricultural education in middle English and High English schools. We have provided for the appointment of a professor of Islamic studies and culture in the post graduate department of the Calcutta University and have agreed to provide funds necessary for the construction of a Muslim Hall at the Dacca University. In the Medical Department, the proposed expenditure is about a lakh less than that estimated as charge of the department for the current year. Public Health which we increased largely last year also shows a lower expenditure in 1927-28. In agriculture, we propose to add an additional expert officer to the department in the shape of an Agricultural Engineer and certain expenditure will be necessary under this head in connection with the scheme for agricultural education in middle English and high schools.

In the department of Industries, it is intended to add new buildings to the Scrampore Weaving School. It is now proposed to erect new buildings for the school and to augment progressively in the next three years the grant placed at the disposal of the Director of Industries for grants-in-aid in such institutions.

Grant for new Council Chamber.

After the presentation of the budget, Mr. B. Chakravarti, Minister, moved that the proposed new Legislative Council building should be entirely stone-faced at the cost of Rs. 25,77,000 instead of a brick building at the estimated cost of Rs. 25,50,000.

The motion was opposed by the members of all parties. The Finance Member said that they had already sanctioned for this purpose Rs. 25 lakhs and they wanted Rs. 8 lakhs more. Mr. S. C. Bose, in opposing, said that they wanted a stone building to meet the arrows of conscience. Sir Abdur Rahim was surprised how the Minister could bring such a proposal. In Delhi the amount of money they were wasting in stone was simply enormous. Bengal was too poor to have that luxury. Mr. J. L. Banerjee said that the Council Chamber with stone outside and brick within would be like the Reform scheme so stately outside and so hollow and rotten within. This Council was ushered into existence with much pomp but under pressure of the rules and the President's rulings, it was going to be shorn practically of all its glory.

The motion was negatived by an overwhelming majority. The Council then adjourned.

Next day, the 22ND FEBRUARY, the first resolution that was moved urged the making of provision for the third Minister who was to be a Mahomedan and it was negatived, 29 voting for and 73 against it.

Release of Bengal Detenuees.

The next resolution urged the immediate release of Bengal detenuees restrained either under Regulation III or under the Bengal Criminal Law Amendment Act. It was moved by Mr. K. Chatterjee (Swarajist). The mover had not concluded his speech when the time fixed for discussing the adjournment motion regarding the shooting at Kharagpur arrived and the Council at once proceeded to discuss the adjournment motion.

Adjournment Motion on Kharagpur Strike.

Dr. B. C. ROY moved an adjournment motion to discuss the firing on the Bengal-Nagpur Railway employees and strikers at Kharagpur on the 11th February. He said his object in bringing the motion was to make two points clear. The first was the statement made by Sir Charles Innes in the Assembly that no more violence was used than was necessary. The public would not be satisfied with that statement, unless it was tested by a mixed committee of enquiry. It was not denied that violence was used and the question was whether the Magistrate was justified in calling out the Auxiliary Force, the members of which were men with whom workers and strikers had already been at variance.

Baba Akhil Chunder. DUTTA said that this was a dispute between black labour and white capital and the Government threw its weight on the side of capitalism. This fight was part of a higher fight for the freedom of the country.

The Hon'ble Mr. MOREBY, in replying, said that they had been told that workmen got entirely out of control of their leaders on the night of 11th February. There was a meeting that night at 7 p.m. and at about 9-30 p.m. a large number of men variously estimated at between 500 and 1,000 rushed to the station. They attacked the signal cabins

at each end and the people there ran away and were in possession of the station. The District Magistrate who was at Kharagpur immediately sent for armed police and went to the station with the Police Superintendent and some railway officers and tried to clear the platform. They got the crowd to move down. The men then commenced to stone the officials and police officers retreated to the station. Realising that the situation was beyond the power of 20 or 40 armed police, the District Magistrate called out the Auxiliary Force which arrived at about 10-30 p. m. Continuing, he said that after the arrival of the Auxiliary Force they were asked to clear that part of the platform where the Puri Express was held up. According to regulation, the Auxiliary Force fired bayonets to their sides. The Auxiliary Force was received with a shower of bricks and the people lay down in front of the Puri Express and considerable difficulty was experienced in getting them to move.

The best method of dealing with a crowd which was stoning was to get as close to it as possible and that was what they did. The casualties found in the hospital numbered ten, seven slightly and three or four seriously injured. Apparently what happened was that as the Auxiliary Force were moving the crowd, they pricked them with their bayonets. There was a "dip-end" and apparently some of the crowd and members of the Auxiliary Force fell over, which might account for some of the injuries. There was no proper bayonet charge.

Dr. Roy :—So the Hon'ble Member is prepared to deny that Auxiliary Force had anything to do with shooting?

Mr. Moberly :—I absolutely and emphatically deny that. Continuing, he said the Auxiliary Force was armed with ball cartridges. There was one case of gunshot caused by backshot with which the armed police were armed. He had a letter from the Colonel Commanding the R. N. Railway Regiment to the effect that on the night of 11th February the Regiment did not fire any shot and that ammunition and rifles were checked and were all found to be correct. Continuing, Mr. Moberly said the Assistant Police Superintendent came back with a section of the armed police. He found a number of men stoning a small picket of six or seven constables.

He tried to move the crowd back to bazar. The crowd fell back as far as the entrance to the bazar and from there they stoned the police. A number of policemen as also the District Police Superintendent and the Assistant Police Superintendent were injured. Mr. Cook, Assistant Police Superintendent, repeatedly warned the crowd that if they continued to advance he would have to fire. The men did not obey and Mr. Cook issued order to two constables to fire a round each which they did, that time there was no Auxiliary Force in the neighbourhood.

Subsequently, a section of the Auxiliary Force came up and reinforced the police and a little later the District Magistrate came there. After the firing took place, the crowd retreated behind a corner and again threw stones.

The matter was talked out for two and a half hours, the time allotted for discussion of the motion, after which the Council rose for the day.

Release of Bengal Detenuees.

Next day, the 29RD FEBRUARY, after interpellation, Rai Harendranath Chaudhuri moved a motion for adjournment of the House for the purpose of discussing a matter of urgent public importance, namely, the recent hunger strike of the Bengal detenues at the Insein Jail, Burma. The President fixed 5 o'clock in the afternoon for the discussion of the motion. But subsequently Rai Harendranath Chaudhuri withdrew his motion in order to allow the discussion of the resolution for their release to continue.

There was a long debate in reply to which Mr. MOBERLY, Home Member, referred to the recent speech of the Viceroy in which His Excellency stated that the Government were prepared to release them the moment they were satisfied that their release would not defeat the prevention of terrorist outrages and said that although it was obvious that information about a secret organisation could be obtained only from persons who were or had been members of that organisation, whether they were detainees or at large, he most emphatically denied that any agents provocateurs had ever been employed by the Police in Bengal. Apart from the immorality of the course, the terrorist conspiracy was far too serious a matter to be trifled with and the object of the Government was to reclaim those who had leanings in that direction, not to add to their number. The Government never attempted to take action against every one whom they knew to be connected with the conspiracy. Nor did they claim to know everyone who was connected with it. They did deal with those whom they knew to be leaders and with the most dangerous of members and they did claim to have disorganised the conspiracy to

a very great extent. Evidence of this fact was furnished by the lull which followed the action taken immediately on the promulgation of the Ordinance as compared with the occurrence of outrages during the preceding 18 months. Some of those who were not arrested, however, soon began to organise again and the result of their activities was brought to light in the finds of arms and explosives at Dakshinewar and in Calcutta. The persons who were convicted in the Dakshinewar case were responsible for the brutal murder of Rai Bahadur Bhupendranath Chatterjee in the Alipore Jail. The find of materials for the manufacture of explosives in Domjer and Howrah last July, the find of loaded bombs in Obhitangong last August and the find of revolvers and bombs ready for loading in Calcutta last month were outward signs that a conspiracy still existed and was still widespread.

Mr. Moberly read extracts from the following among other documents which had been recently seized showing the mentality of the members of the terrorist organisation. The first was from a letter which was found in a house search in January and reads :— "Non-co-operation will not produce any good result now-a-days. The present condition of the country is not fit for that movement. The era that is coming is an era of bloodshed. That era is the most terrible and you are the heroes of that age. Perhaps, you can remain idle at the present moment; but a time will come when no one would be able to remain inactive. Therefore, I say, prepare yourselves for that time. The day is near at hand. Acquire strength in your body, rid your mind of fear and awake enough force within you. If freedom is ever achieved in India, it will come through bloodshed alone. India can never be independent without bloodshed. Why India alone, all dependent nations and countries have become independent through the path of blood. Terror must be instilled into the minds of the people. They will have to be shown that the Bengalis know how to die for their country and to shed blood for it. When this fact can be driven into the bones of the people, the country will blaze up in flames, such flames as none can extinguish."

The second extract was from a statement made by a person arrested under the Criminal Law Amendment Act within the last few weeks. "It is absolutely necessary that 'rebellious spirit' should be fostered in youngmen and they should be encouraged to take part in violence. The Government would take drastic steps, but they should court extreme measures of the Government to create anarchy and chaos in the country. We thought of murdering a few informers and active O. I. D. officers; but that was not our ultimate aim. We were preparing the revolutionaries to take part in a general rising by guerrilla warfare. We conspired for a simultaneous rising in all districts when the revolutionaries would attack the police lines, capture their guns, burn some police thanas and jails. We know that the Government would post the military, oppress the innocent, and hang many men and eventually crush the movement, but still we ventured to bring it upon the country as the people would get some precedent to take part in this in future. Men become more bold by failures and oppressions and we wanted to create our atmosphere when people would be killed by hundreds. We wanted to see the blood of our countrymen flowing by torrents. Secret organisations have been formed in every district, in many sub-divisions and in the villages. There is a Central Committee in Calcutta which guides these district organisations and supplies them with books and arms. All the revolutionaries are taught these blood-thirsty ideas, their utter helplessness, the futility of open organisation and about their extinction if they do not rise up immediately."

The third extract was taken from the report by a European Police Officer of a conversation with another terrorist who was arrested at about the same time last month. "His sole regret was that he had not had an opportunity of killing some police officer so that he might have sacrificed his own life for the good of the country. He would have considered it an honour to go to the scaffold. He realised that it was impossible to drive the British out of the country; nor was he anxious that they should be driven out until the country was ready to rule itself and life could be put into the lifeless bodies of the Indians. This metamorphosis could only be brought about by creating a "rebellious" spirit in the country, and this rebellious spirit could only be cultivated by martyrdom such as that of Kanaai Lal and Gopi Shaha. Their deaths, he said, in each case resulted in an amazing impetus to the revolutionary movement. If he had had a bomb in his possession in the jail he would quite cheerfully have thrown it at me, not as an Englishman with whom he had no quarrel but as an official and a police officer. He warned me that there were numbers of others to take up the work where he had left off."

Mr. Moberly would ask the members of the Council if they considered that the facts which he had set forth were such as would justify the Government in coming

to the conclusion that the conspiracy had been as far suppressed, that it would be impossible for the former leaders to revive it in a dangerous form even if they so desired. He thought there could only be one answer. The conspiracy was there; the materials were there and though it had still not fully recovered from its disorganisation, recruitment and organisation were steadily going on. With the old leaders back again it could, if they wished, speedily be revived in its most dangerous form.

Mr. Moberly next came to the second point in the Viceroy's speech which related exactly what has always been the policy of the Government, namely, that the latter did not desire to keep any person under restraint a moment longer than they could help; but before they released him, they must be satisfied that there was no longer any danger that he would employ his freedom in taking part in the terrorist movement and it was here that he would appeal to the members of the Council to help the Government to move rapidly in the direction of releasing political prisoners than had hitherto been possible by creating an atmosphere in which it would be safe to release them. What he urged was that leaders of public opinion and the press should unreservedly condemn the methods of terrorism, the cult of the revolver and bomb murder and dacoity even though the object be political. He did not ask that the patriotism and enthusiasm of these men should be belittled; but he did ask those whose convictions would permit them to do so to stress the fact that in employing methods of terrorism these men were misguided and were misapplying their talents, that far from advancing the cause of their country they were retarding it.

He knew that there were some who believed that the pronouncement of advance which was made in 1917 was extorted by the success of a former terrorist conspiracy. This was abundantly clear from the writings of old revolutionaries. Such persons may believe that no further advance would be secured except by similar methods; but he did not think that they can complain if the Government take measures to counter the methods which they advocated. All Governments were bound to accept and meet the challenge of violent coercion.

Referring to the charges which had been made in the press that the treatment of these men in jail had led to general deterioration of their health, Mr. Moberly said that although the Government regretted the necessity for detaining persons in jail and fully realised that such detention was not an ideal condition for health, it was anxiously watched by medical officers and everything possible was done to treat them if they fell ill.

Mr. Moberly concluded:—"The situation in Bengal is not yet such that leaders can be released again to take their places at the head of the terrorist conspiracy which is far from extinct. The prospects of expediting relaxation of restraint will be very greatly improved if young men who organise and join the terrorist groups can be made to feel that the public condemn their policy and that they are hindering rather than helping advancement of their country and I would once more appeal most earnestly to leaders of public opinion to create an atmosphere hostile to terrorism so that reforms can be made more rapidly and safely."

Details of the Debate.

One noticeable feature in the discussion of the resolution on the release of detainees was that except Mr. Moberly no one opposed it. All non-official Indians supported the motion. The two Ministers did not vote. Supporting the motion, the Swarajists said that the arrest of political leaders was a move against the Swaraj Party. Mr. Akhil Datta challenged Mr. Moberly's statement that the revolutionary party still existed and said that the Government brought them into existence. Nationalist leaders, Maharaja Natore and Raja of Nashipur, supported the motion as they did not believe in the existence of an organised revolutionary party.

Sir Abdur Rahim, leader of the Moslem Party, while admitting the necessity of a special remedy in special circumstances, was opposed to indefinite detention without trial and asked his followers to obey the resolution passed by the All-India Moslem League at Delhi.

Mr. J. M. Sen Gupta described the plea taken that witnesses would be in danger in case of a public trial as false and cited several cases where Indian witnesses deposed against political accused. If terrorism still existed as said by Mr. Moberly, then the persons under detention had nothing to do with it. As regards Mr. Moberly's suggestion to create public opinion against terrorism, Mr. Sen Gupta said that the National Congress was pledged against violence and the late Mr. C. R. Das issued a manifesto asking all to shun violence.

Mr. S. C. Bose said that Mr. Moberly's speech was libellous. Reckless charges had been made on the basis of police informers of a questionable character without allowing the

defence to refuse these charges. To ask the Council to believe these vague charges on such flimsy basis was an insult to the intelligence of the House. He referred to the petition made by two defences to the Secretary of State bringing serious charges against the authorities in India and praying for an impartial enquiry. The Government had not the boldness to meet these charges nor the courage to appoint a commission of enquiry. He characterized the letters adduced on by Moharty as forged and tainted like those produced in the Parnell case.

Chambers being moved, the resolution was put to vote without allowing Mr. Moharty and the mover of the resolution the right to reply. After the President declared the motion carried, Mr. Sen Gupta who voted for it asked for division.

President: Did you say "Aye"?

Mr. Sen Gupta: I am not bound to answer that.

President: I rule it that as you have claimed division after my decision was given in your favour and as I understand you said "Aye", you will not be entitled to second your vote on the resolution. The two Ministers and Mr. Sen Gupta did not record their votes.

The resolution for the release of political prisoners was carried by 71 against 26. The Council then adjourned.

Budget Discussion.

General discussion of the budget commenced on the 28th FEBRUARY. A comparatively thin house bore testimony to the scant attention paid by the members to the discussion. Budget was described by some members as a masterpiece of illusion and fall of financial juggling. Several members complained that enough time was not given to them to study the budget and make suggestions. They regretted that in the budget there was no mention of any coherent or definite policy. The Council then adjourned to meet on the next day, the 1ST MARCH, when after three hours' manuscript eloquence the House had to be adjourned till the 11th March for want of a quorum. Some thirteen members spoke on the small allotments made in the Transferred Departments.

Mr. J. Campbell-Ferrester regretted that no allotment had been made for the Midnapore Labour Colony and for solving the beggar problem. Concluding he said it was time that the Government woke up to the fact that Europeans had actually made up their minds that they were going to take an active part in politics, that they were going to put forward propositions and see them carried out.

Dr. Promothanath Bannerji referred to the fixation of currency and said if the Finance Member looked to the wealth and prosperity of the country the speaker had no objection to listen to him on the controversial currency question.

Mr. K. C. Ray Chowdhury, Labour Member, said they must resist the preposterous demand of the Bombay financiers and industrialists to fix the ratio at sixteen pence per rupee. In support of his contention, he quoted extracts from the letter written by a Swarajist leader Mr. Satyendra Mitra now confined in Mandalay Jail who said "My views about the coming currency legislation are not in agreement with Bombay capitalists. The real interests of the ryots will suffer at the lower rate of exchange. The interest of the capitalist and the general public is at variance in this particular case. The whole propaganda of demanding the sixteen pence per rupee is engineered by Bombay capitalists of Bombay cotton mills."

Sir Abdur Rahim said that in order to solve important problems, all provincial Governments should meet the Government of India to discuss what should be done and also suggested to start a modern loan policy for Bengal alone. The House then adjourned.

On the 11TH MARCH the Hon'ble Mr. Donald, Finance Member, who had no opportunity to reply to discussion on the last occasion made a statement. Replying to some of the criticisms of non-official members, he said although they had been able to balance their receipts and expenses he was not satisfied with their financial position. Their finances were inadequate for their needs. The Hon. Mr. Donald then referred to the public health department and said that the late Mr. C. E. Das had handed over to him a scheme for public health organisation. He passed it on to his department but there had been no examination of that scheme for some time which was rather due to Dr. Bentley's absence. He had much to say upon it when budget was presented. He waived the rule which prevented the Finance Department from putting into budget schemes which they had not seen or examined and as a result of that he could tell the Council to-day that they had accepted the principle of the scheme prepared by Dr. Bentley which he said was Mr. Das's scheme for public health organisation in Bengal. When the scheme was carried out in full, very considerable sum of money, say between

Rs. 12,000 and Rs. 12 lakhs would be required. They were going to make a beginning next year with 8 lakhs of rupees in the Budget. It was of course not possible to have such a big organisation all at once. He left it to the Hon. Minister to explain when he presented his demand. It would be in full working order at a very early date. He thought he made a good case in answer to those who criticised Mr. Das's scheme.

Voting on Demands for Grants.

The demand for grants was then initiated by the Hon'ble Mr. MOBERLY who made a demand for grant of Rs. 94,38,000 for expenditure under General Administration. A number of amendments were moved some making cuts and others refusing grants for particular departments. There were 104 such motions on this demand, nine of which were moved on this day and in the case of one only the Swarajists, with the help of some of the followers of Sir Abdur Rahim, were successful. Bated with this small success the Swarajists and Mahomedan members called for division on every motion they moved and in all of them they were defeated, though not by a large majority and in one case there was a tie. The first motion in which the Swarajists defeated the Government was the demand of Rs. 8,000 under the head 'Staff and Household of the Governor'. Other items in which cuts were not accepted related to the pay of the Private Secretary Rs. 24,000, travelling allowances of the Military Secretary Rs. 7,000, Governor's Band Establishment Rs. 70,000, Governor's Bodyguard Establishment Rs. 1,18,000. The Council then adjourned.

Minister's Salaries Voted.

On the 15TH MARCH the Council rejected by 65 votes to 58 the motion of Dr. P. Bannerjee, Swarajist, totally refusing Rs. 19,000 under the head "Executive Council" and thereby raising a constitutional issue.

Then after 3 hours' discussion the three Swarajist motions against the Ministry were defeated by an overwhelming majority. The first motion moved by Mr. J. L. Bannerjee (Swarajist) was against the total demand of Rs. 1,48,000; the second motion was for the refusal of the salary of Rs. 1,25,000 of both the Ministers and the last one for the refusal of the salary of one Minister, Rs. 68,000. All the three motions were negatived, 59 voting for and 78 against. Among Hindu members only Swarajists and among Mahomedans Sir Abdur Rahim and his followers supported the motions for refusal.

Mr. J. L. Bannerjee said that the Ministers lost confidence by not voting for the resolution demanding the release of the detainees and in not going to the scenes of communal riots. Mr. B. Chakravarti before election said that so long as the detainees were not released, no one should accept Ministership. The detainees were still in jail; yet Mr. Chakravarti accepted a Ministership.

Mr. Chakravarti, Minister, said that the Ministers had had joint responsibility and their duty would be to serve both the communities. He detailed the policy that would be followed by him.

Mr. S. C. Bose said that the present Ministers neither enjoyed the confidence of the House nor were capable to lead the House. They were enthroned on the votes of 44 Government nominated members. By not voting for the release of the detainees the Ministers had contributed to the slavery of the House and the slavery of the country. The Ministers had not made any suggestion for a forward march for the freedom of the country.

Sir Abdur Rahim, after referring to the circumstances in which the present Ministry was formed, said that so far as Mr. Ghumanavi was concerned the entire Mahomedan public was opposed to him for the ignominious part played by him.

The Hon. Mr. Moberly said that if the resolution was carried, there would be no Ministers. The motion was not against particular Ministers but against dyarchy and the present constitution.

Mr. H. S. Sukrawardy protested against the insult hurled on the supporters of Mr. Ghumanavi as hired voters and also against the method of intimidation employed by certain sections.

The resolutions were put one by one and declared lost. Mr. Moberly's motion that Rs. 94,38,000 for expenditure under General Administration as amended by the Council be granted was carried 88 voting for and 56 against it. The Council then adjourned.

Land Revenue Demand.

On the 15TH MARCH five more motions for reduction of grant under land revenue were negatived, Swarajists and Nationalists adversely criticised the survey and settlement

operations which they said was the real cause of the ill-feeling between landlords and tenants. The Maharaja of Nadia, on behalf of the Government, gave an assurance that he would enquire into the grievances if brought to his notice. The original demand was agreed to.

Government's Forest Policy.

The policy of the Government regarding administration of the Forest Department was criticised when Rs. 11,48,000 was demanded for that department. In proposing token cuts the Swarajists urged Indianisation in the Forest Service and asked for the steps taken by the Government to accelerate Indianisation. Replying on behalf of the Government, Nawab Nawab Ali Chandhuri said that since 1928 there was steady Indianisation of the forest service. Out of 5 appointments in the superior service there are four Indians and only one European and in subordinate service all officers were Indians. The demand was granted without a cut. The Council adjourned.

Other Budget Demands.

On the 16TH MARCH the debate in the Council on budget demands was very tame. Attendance was poor. Owing to the election of the Calcutta Corporation Councillors, Calcutta members could not attend.

Nawab Nawab Ali Chandhuri moved that Rs. 51,38,000 be granted for expenditure under irrigation. There were on the agenda 20 motions for reduction but only four, all taken out for one rupee, were moved and negatived.

The Hon. Mr. Moberley moved that Rs. 85,02,000 be granted for administration of Justice. Maulvi Badique moved that the demand for the Original Side of the High Court be refused. He said that the Original Side of the High Court was maintained at the expense of the poor villagers for the benefit of the people of Calcutta. It was a monument of an iniquitous system of taxation.

Mr. Moberley replied that it was a matter for the Government of India. The motion was negatived.

Mr. J. L. Banerjee next moved that the demand of Rs. 82,000 for the appellate side of the High Court be reduced by Rs. 26,184. He said that his object was to refuse the demand for the paper book department.

Mr. Moberley pointed out that the Governor made this item for paperbook non-votable. The President said that any censure on the paperbook department was a censure on the Government and he would not allow that. At the same time he would allow Mr. Banerjee to move a cut out of the whole demand without reference to the paperbook department. After some discussion the motion was negatived. The Council adjourned.

Discussion on Jail Expenditure.

On the 17TH MARCH the demand of Rs. 24,16,000 for expenditure under Jails and criminal convict settlements was discussed and eventually granted without a single cut. In making the demand, the Maharaja of Nadia said that during recent years special enquiries had been made in connection with this department and the Government had given effect to some of the recommendations of the Jail Committee. Steps had been taken to improve the condition of prisoners, that of jail staff and also jail building. Steps also had been taken to separate adults from juvenile prisoners. A bill would soon be introduced for the benefit of adolescent offenders.

In proposing a token cut Professor J. L. Banerjee narrated his personal experience for he had been an inmate of jail for 21 months. Indian jails he said were not as bad as described by some. Punishments were not barbarous and diet was sufficient. The bulk of prisoners were not habitual criminals. The first necessity was segregation of habitual offenders, next the provision of better clothing, supply of tobacco and amusements to prisoners and abolition of convict wardens.

Other members also narrated their jail experiences. The Maharaja of Nadia gave an assurance of conducting an enquiry into the prisoners' grievances. Dr. Premotho Nath Banerjee suggested the release of detainees to reduce jail expenditure on grounds of humanity and economy.

Discussion on Police Demand.

The police demand amounting to Rs. 1,72,25,000 was next discussed. In moving a token cut non-official members took exception to the increase of European sergeants. Another member suggested that the Calcutta Municipality should pay the cost of the Calcutta Police and not the general rate-payers.

Mr. Moberley concluded the House of the excellent services rendered by European Sergeants during the Calcutta riots. The House then adjourned.

On the 10TH MARCH further discussion of motion for reduction of Police Demand was resumed. The House was as thin as on the last two previous days. Only three reduction motions were discussed, two relating to the demand for the Presidency Police and the other in connection with the District Executive Force. All these motions were negative.

An adjournment motion to discuss the action of the District Magistrate of Malabar in interfering with the worship of Kali was not allowed for want of support of the House. The first out on the Police Demand was the motion to reduce the demand under the Presidency Police by Rs. 2 lakhs. There was also another motion on the same demand of a token cut of one rupee. The mover and his supporters spoke of the hapless inefficiency of the Calcutta Police throughout the last year and said that they did not deserve any increment. During communal riots the Police failed to preserve peace.

One speaker said that it was not impossible for Mr. Moberly to discover the ringleader of communal riots. After the whole mischief was done, the authorities exterminated the Goundas to their native villages to spread trouble there and rewarded one of the leaders by giving him high appointment. Another member suggested drastic re-organization of the whole system.

The Hon. Mr. Moberly, replying, said that last year the communal riots in Calcutta were better managed. As to the alleged inefficiency of the Calcutta Police, Mr. Moberly quoted figures showing decrease of the cases of theft and pickpocketing. The cocaine smuggling business had been considerably checked. As regards communal troubles Mr. Moberly said :—"The attitude of Europeans throughout communal riots had been to let the two communities settle their disputes between themselves and whatever we do cannot have any finality. Until we get the leaders on both sides to find a *modus vivendi*, I am afraid communal trouble would not be stopped. What we do is to try to maintain peace. We dislike to be dragged into a dispute which has a religious basis. As regards processions, we have to make special arrangements when riots are going on. A procession should be allowed to take a particular course. Steps are to be taken to see that no disturbances arise as far as possible. We are perfectly willing, and the Commissioner of Police is prepared, to maintain the rights of the Hindus, but I think the House will agree with me that when a procession comes along and we have reason to believe that it is to annoy Mahomedans, the Commissioner of Police is perfectly right in suggesting another route in order that the two communities may not come into conflict."

Another motion to reduce the demand under the head "District Executive Force" by Rs. 5 lakhs was lost. The Council adjourned.

Conditional Release of Mr. S. C. Bose.

On the 21ST MARCH, replying to a resolution on Criminal Investigation Department Rewards to private persons, the Hon. Mr. Moberly, referring to the condition of Mr. Subash Chunder Bose, a detainee, said : "I would like to take the Council into my confidence as regards the case of Mr. S. C. Bose. I think members will agree that the incarceration of Mr. Bose has exposed the Government to severe criticism and that it follows that if the Government have not released him or at any rate relaxed the degree of restraint to which he has been subjected, it is because they honestly believe that it would not be safe to do so." The present situation is that both the Government and Mr. Bose realize that they can detain him until the expiration of the Criminal Law Amendment Act. Unfortunately, the Government have received unfavourable accounts of Mr. Bose's health. He was examined jointly last month by his brother, Dr. Sunil Chunder Bose, and Lt.-Col. Kelsall, Senior Medical Officer in Burma. I do not propose to send the whole report as the time at my disposal is very short. But the general conclusion is as follows : "Although one of us has only seen him recently for the first time, we agree that his general appearance is not indicative of good health. Taking into consideration his loss of weight, his slight but persistent rise of temperature we are inclined to the views that there is a possibility of early tubercle, although there is not enough evidence on which to base a diagnosis. We agree if he were a private patient of either of us, our advice to him would be to regard himself as a suspicious case of early tubercle and to put himself under the best condition as regards climate, food, rest etc., to combat this disease. We do not regard the condition under which he must necessarily be during confinement in jail as conducive to restoration of his health." Subsequently Dr. Sunil Chunder Bose wrote a further opinion : "In regard to diagnosis and treatment of Mr. Subash Chunder Bose's illness, I am prepared to go one step further. After carefully weighing the evidence before me, I should regard his case as definite one of tuberculosis of the lungs. My advice regarding treatment resolves itself into (1) an immediate sea voyage and (2) prolonged stay in a sanatorium in Switzerland."

of which I have just recently intimate personal knowledge and experience." This note was sent by Lt.-Col. Kaimal who remarked "I have nothing to add to our joint note which, I think, expresses the exact condition of affairs."

It will be seen that at the moment Mr. Subash Chunder Bose is not seriously ill and certainly not incapacitated but he has been advised to go for a sea voyage and to stay in Switzerland. Now, the Criminal Law Amendment Act does not run outside Bengal except as regards detention in jail in other parts of India. All that we can do under the Act consistent with safety is to arrange for his transfer to a jail in a better climate and that is not what is recommended. The Government are not prepared to bring him to Bengal and in any event they are advised that Bengal would be as bad as or worse than Burma for his health. Effect can only be given to the suggestion that he should go to Switzerland if he were released and if he was once released there would in the ordinary course be nothing to prevent his return to Bengal, at any rate a contingency which the Government are not prepared to face. We are willing, however, that Mr. Bose should have such opportunities as we can afford him of recruiting his health. We are, therefore, prepared to release him if he will give us his word of honour that he will proceed from Rangoon to Europe by a ship which does not touch at any port in India and that he will, thereafter, not attempt to enter India, Burma or Ceylon until the Bengal Criminal Law Amendment Act has expired. It will be observed that we shall not demand any admission as regards his past or any promise as regards his future conduct. We are merely asking that we be kept in the same position as regards control over his movement in India as we are at present. This proposal, concluded Mr. Moberly, has not been made to Mr. Bose as I do not wish him to think that we want to force it upon him. But I put this forward publicly in order that if he thinks fit he may avail of it. He will know in advance that we are prepared to accept it."

Government's Excise Policy Attacked.

On the 22ND MARCH the demand of Rs. 22,98,000 for Excise was further discussed. The Swarajists and Mahomedans condemned the policy of the Government scheme leading to total prohibition in a short time. The demand was carried without any cut. The demand of Rs. 22,98,000 under registration was also granted without cut. The next demand of Rs. 18,85,000 for expenditure under education transferred was taken up. Discussion had not concluded when the Council adjourned.

Government's Education Policy Criticised.

On the 23RD MARCH, after a heated debate lasting for full two hours, in which the education policy of the Government with reference to the appointment of the Vice-Chancellor of the Calcutta University was severely criticised, the House passed the total demand of Rs. 1,18,85,000 provided for education by 61 votes to 2. Swarajists did not vote. The surprise of the evening was the speech of Mr. J. L. Banerjee who defended the Vice-Chancellor and twitted the Swarajists that they were clamouring because the monopoly of a particular party in the University was now broken.

Mr. Canton, Director of Public Instruction, made a statement denying the charge that there had been any attempt on his part to officialise the University:

The Swarajists headed by Mr. Sarat Ch. Bose and Dr. B. C. Ray, maintained that an attempt to officialise the University had been going on since the year 1923 when Sir Abastosh Mukerjee, in a letter to His Excellency Lord Lytton, pointed out that the Government did not want an independent man as Vice-Chancellor but one who could carry out the mandate of the Government and act as the spy of the Government.

The Minister for Education was not taken to task by the House as the members all agreed that all these things happened before he assumed office, but they warned him to be cautious as grave danger was ahead. Incidentally the House in one voice asked the Minister to introduce a bill to reform the University on the lines of the recommendations of the Sadler Commission.

The Hon'ble Mr. S. Chakravarti, in reply, assured the House that his intention was to introduce a proper bill which would meet requirements of the situation.

The Council then adjourned to meet on the next day the 24TH MARCH when it discussed demands for grants under the head "Medical."

The Governor's Speech.

On the 26TH MARCH the Swarajists in a body abstained from attending the Council when His Excellency Lord Lytton presided the Council and bade farewell to the members and through them to the people they represented. In the course of his speech His Excellency said—

"The period in which we have been brought together and worked either in agreement or in opposition to each other has been a transitional period in which some have tried to prove the value and the others the futility of the present constitution. I recognise that both have been sincere. It will be my endeavour, when I return to England, to be equally sincere and to interpret as fairly as I can to my own countrymen both the merits and defects of the system of Government which, after full enquiry in this country they hoped, would be found suited to the existing conditions. I trust you will agree that I have rightly interpreted the facts of the situation, if I tell them that, while all parties in India desire the main principles of the British constitution to be applied in this country as nearly as possible, no constitution is likely to be acceptable which proceeds on the assumption that political conditions in India are similar to those which exist in Great Britain. Equally no constitution is likely to work well which is based more upon an abstract political than on a study of the actual conditions of the country. The existence of an Executive, which cannot be removed by the Legislature and of a Legislature which cannot be removed by the Executive, is not calculated to produce harmony between the two, and without harmony between the Legislature and the Executive efficient government is impossible. To ensure harmony an elected Legislature requires an Executive responsible to it and removable by it and an irremovable Executive requires a nominated Legislature. A system which secures the supremacy of the Executive, not by the support of the Legislature but by exercise of an over-riding authority, is not, I think, proving the best preparation for full responsible government.

Provincial Contribution.

"It will be agreed, I think, by all that we have had a difficult machine to work and the machine has been more difficult to work in Bengal than elsewhere, because of the inequitable financial basis on which the new Government was established in this province. The Weston Settlement has been a mill-stone round the necks of successive Governments, rendered all the heavier by the period of trade depression which followed the inauguration of the Reforms. The remission of all provincial contributions, which we are promised in the near future, will not help, but only accentuate the handicap which has been placed upon Bengal; for, the inequity consisted not in the amount of our contribution to the Government of India, but in the inadequacy of the sources of revenue, made available to the province. Those who criticise the failure of the Reforms in Bengal, must not, therefore, ascribe it to any special perversity in the Bengali race, but should recognise that, apart from the effects of the constitution itself, which Bengal has shared in common with other parts of India, this province has been placed under a handicap peculiar to itself.

Plea for Political Education.

"The Reserved Departments of the Government have suffered because they are reserved and therefore attractive targets for criticism and the Transferred Departments have suffered because there was no money for their development. There has been little attraction to the political parties to undertake responsibility for administering the departments that could not be adequately developed and party unity has been impaired by the rivalry of individual ambitions. Such conditions have facilitated political blackmail and led to charges of corruption, evils which must be attributed not to the country but to the system. In Great Britain during the evolution of the constitution, in the 17th and 18th centuries, when powerful families contended for power, similar evils were prevalent to a far greater extent. The remedy was found in the extension of the franchise and in the growth of organised political parties. The same remedy will no doubt, be found in India, but an extension of education is an indispensable preliminary to the first and adequate resources for the development of local needs are necessary for the second. During the life-time of this council, a new Parliamentary Commission will arrive in India to study the experience of the eight or nine years and to hear opinions from all sections of the population regarding the alterations, if any, which are desirable in the constitution of 1919. During that enquiry you will have an opportunity of explaining the past and of recommending changes in the future. May I suggest to you, in the capacity which I have asked you to allow me to to assume to-day, that the larger the measure of agreement you can secure, the greater will be the value of the evidence you can give on both these points? It is for this reason that I have ventured to express an opinion on some of the larger issues involved in the framing of a constitution in order that

in the time that remains, you may be considering these issues and crystallising opinion upon them".

Hindu-Muslim Unity.

Concluding, His Excellency referred to the problem of Hindu-Muslim unity and said that the two communities were equally divided in the province; but to say that the rivalry was an insuperable obstacle to any constitutional advance would be absurd, but to ignore altogether such a fundamental fact would be equally foolish. He welcomed the fellowship Movement. The only road to peace, said Lord Lytton, which offers any hope of success, is the one which the late Mr. C. R. Das tried to follow and which I have equally tried to follow in the formation of the Ministries, namely, the organisation of parties on political rather than on communal lines. How best to frame a democratic constitution, which will facilitate this object, and, whilst safeguarding the due representation of all, make the representatives answerable to a mind rather than to a communal electorate is, therefore, another issue which I commend to your special consideration. If the leading men of all parties and all communities in Bengal will concentrate their attention upon this problem, with which they are so especially qualified to deal, instead of waiting for outside suggestions, which each can criticise from their respective points of view, I feel sure that a solution will be found even before the Parliamentary Commission arrives, and in that case Bengal will justify the claim it is proud to make of leading the political thought of India. The suggestion that the British Parliament must decide the time and form of each successive stage in the development of the Indian constitution is often resented in this country and in one sense very naturally resented. But, gentlemen, there is no need to wait for Parliament if you can yourselves find a solution of the admitted difficulties which beset the path of constitutional development. The ratification by Parliament of an agreement reached in this country would be an easy matter and involve no humiliation. It is only attempts to force prematurely a one-sided solution by violence and intimidation that bring strife and humiliation. In conclusion, I desire to assure you that nothing which has happened during my term of office in this province has at all shaken my faith in the necessity for developing the Indian constitution as rapidly as possible on lines which will provide for national expression. I have found the difficulties to be greater than I knew before I came here, but difficulties are made to be overcome. It is the test of statesmanship to recognise them and with unwearying patience and undiminished faith to overcome them.

The Bombay Legislative Council

The Third Bombay Legislative Council under the Reforms Act met at Bombay on the 18TH FEBRUARY 1937. The business of the House on this day consisted of swearing in of Members and the election of Mr. Dhlavi as President. Next day, the 19th instant the business of the House included an adjournment motion which was disallowed and the election of Rao Bahadur Kambli as Vice-President.

The Governor's Opening Speech.

On the 21ST FEBRUARY addressing the members of the Council His Excellency the Governor noted with satisfaction the much greater interest taken by the electors during the last election than on the previous occasion as was clear from the number of votes cast.

Referring to Dr. Paranjpye's new office, he felt sure that the members would congratulate him and would realise that not only would India benefit by the ability and experience which he would bring to the India Council, but that Bombay would have on it a representative fully acquainted with the needs of the Presidency. His Government had suffered a great and unexpected loss; but while Dr. Paranjpye's departure was a loss to them his services in London would be a great gain to India in general and to Bombay in particular during the next five years which were fraught with so much importance.

Coming to the budget His Excellency remarked that a deficit of Rs. 50 lakhs in Bombay's budget for 1937-38 was approximately equal to the amount of provincial contribution to the Government of India, so that but for what they had to pay away to assist the finances of the Central Government, they had in fact a budget which was balanced. His Excellency reiterated that the Meston Award had a very injurious and, to his mind, unfair effect on Bombay's finances. It was impossible, he continued without serious detriment to essential services and irreparable damage to the security of law and order and to the nation building services, to reduce expenditure further than had already been done.

"My Government does not feel justified in asking the Council to vote any further taxation in order to enable us to meet our liability to the Government of India and we are fortunate in being able for the time being to meet the excess from the savings. We do not do this without a misgiving, but with the confidence that a revision of the settlement coupled with some return of trade prosperity will enable us to continue to provide for the inhabitants of this Presidency those services to which they are accustomed and to which they have a right."

Regarding the agricultural situation, His Excellency assured the members, it was unlikely a situation of a very serious character would arise. Dealing with the roads, it would appear to him desirable that before any Central Road Board for India was set up full enquiry should be made into the question as to whether at any rate for a few years to come, development of roads should not be solely a question for local Governments and before any decision was arrived at, every presidency and province including Indian States should be consulted.

Concluding, His Excellency said that no one at present could forecast the constitution of the next elected Council, for during the life of the present Council the Statutory Commission would visit India and it might be that the recommendations of that Commission would have received Statutory sanction. So, the next Council might be a very different one. He did not mention this with any idea of suggesting that it should in any way influence the action of the members. On the contrary, he would urge them to do as they had done in the past, namely, to voice their views freely and honestly and consistently carry out their obligation to their constituents and their country. Judging by the past six years it might truly be said that the members of the Bombay Council had endeavoured to work the reforms, however limited in their scope and difficult in their application in many respects the statute might appear to some of them. That was the right spirit and the presidency had every reason to be proud of its elected representatives.

Budget for 1927-28.

After the Governor's speech, Sir C. V. Mehta, the Finance Member, presented the Budget for 1927-28. In the course of his speech he said :—

The opening balance of the year 1926-27 was estimated at Rs. 664 lakhs which was expected to be reduced at the end of the year to Rs. 474 lakhs due to revenue deficit of Rs. 75 lakhs and deficit of 115 lakhs under capital and debts section. The revenue under the former head was Rs. 1,583 lakhs and expenditure 1,607 and under the latter head receipts were Rs. 817 lakhs and disbursements Rs. 483 lakhs. For the next year the revenue under revenue account is estimated at Rs. 1,606 lakhs and expenditure Rs. 1,558 lakhs leaving a deficit of Rs. 50 lakhs, while under debt deposits and advances receipts are Rs. 265 lakhs and disbursements Rs. 428 lakhs with deficit of Rs. 54 lakhs. The deficit of Rs. 75 lakhs, continued the Finance Member, was principally made up of decrease in revenue under three best revenue-earning heads, Land Revenue, Excise and Stamps. The decrease under the first head was due to unfavourable seasonal conditions and even larger suspensions and remissions would have to be given than had been estimated when the budget was made. Under Excise the fall was explained by the experiment of trying a system of simultaneous actions which, however, had not yielded the expected results though the cost to the State was certainly exorbitant. The third head, Stamps, had suffered owing to depression in trade.

Coming to the Development Department transactions which were not included in the figures given above, Sir Chunilal said that an additional subsidy of 7 and a half lakhs had been provided for in the budget for next year to meet estimated loss on suburban schemes. The activities of the department had been curtailed but it was extremely difficult to make any reliable estimate of the loss. The department had put down what it considered liquidation value. This loss amounting to Rs. 111 lakhs was proposed to be covered by a subsidy of Rs. 7 and a half lakhs from general revenues to meet both interest and sinking fund charges on a 60 years basis.

Proceeding, the Finance Member referred to economy in public expenditure and said that in every country the Victorian ideal of letting the people do everything for themselves was being abandoned and the activities of the Government were extending in directions which were not only not contemplated before but where interference of Government was resented as objectionable. That the process of retrenchment could be carried on indefinitely and that it was possible to put limit on public expenditure would, he thought, be belied by the experience of every member who had taken part in Municipal or Local Board administration. Sir Chunilal quoted figures to refute the statement that reserved departments were allowed to obtain major part of the revenues, while the transferred departments were starving.

While the expenditure on the latter had increased by over Rs. 45 lakhs, expenditure on the former had actually gone down by Rs. 15 lakhs.

Turning next to the criticisms that per capita revenue and expenditure in Bombay was the highest, the Finance Member justified high per capita taxation on the ground of largeness of the area administered together with the comparative sparseness of the population and the high incidence of salary owing to Bombay being more urbanised and industrialised than any other province in India. The necessity of a higher cost of administration in this presidency was conclusively demonstrated by the fact that district municipalities, which were entirely controlled by elected representatives had also to spend more per head of the population in Bombay than other provinces. The five lakhs provided in the budget for expenditure on roads, said Sir Chunilal, was all that the provinces' attenuated resources could afford until the Central Government was in a position to release a portion of the motor and petrol taxation to be shared in or utilized by the province.

He concluded with an appeal to the House to approach their work informed by the principle of deciding each question on its merits inasmuch as the policy of persistence in unsuccess and continuous opposition must indirectly tend to bring in the rule of communalism and time-serving expediency.

Discussion of the Budget.

On the 22ND FEBRUARY led by Mr. Lalji NARAINJI the opposition groups delivered a strong attack on the Government's financial policy when the general discussion of the Budget was taken up. Severe criticism was directed to the policy of incurring big debts expenditure on the Backbay scheme and the development programme and Western settlement.

Mr. Lalji referred at the outset to the South African agreement and expressed satisfaction at the amicable understanding arrived at. He thanked the Union Government for the assistance rendered to the Indian Delegation in arriving at the agreement.

Proceeding to discuss the budget Mr. Lalji said that he was gratified at the appointment of an Indian Finance Member, but was surprised at the remark made by him in presenting the budget that the debts of the Bombay Government were less than two years' ordinary revenue and had been incurred for productive purposes. He considered such a statement an apology for the untenable financial policy of the Government. He appealed to the House to prevent the Government from spending the presidency's revenue in the Bombay scheme. He suggested that the deficit be wiped off by reducing top heavy expenditure. Why should not the Government for instance reduce one Executive Councillorship and one Ministership?

Mr. B. T. DESAI, Swarajist, said that he had been pained to read in the Finance Member's speech presenting the Budget who suggested that the policy of the Swarajists encouraged communalism. There was no occasion for making such a criticism of a party whose programme the Finance Member "had not the sense to understand."

Sir Joseph KEY said that much of the criticism that had been heard was due to the fact that members appeared to have forgotten that Bombay had been passing through a period of depression. The only criticism which was reasonable was that there had not been enough retrenchment. In this particular, the Finance Member should endeavour to do his best. After a few more speeches the House adjourned.

Next day, the 23RD FEBRUARY, when the general discussion on the Budget was resumed, Mr. B. V. JADHAV, ex-Minister, took exception to the remarks of the Finance Member in his budget speech about communalism and said that communalism was not a recent growth.

Mr. K. F. Nariman : Whom are you lecturing to ?

Mr. Pabalaiani : Is the subject of communalism before the House, Sir ?

President : Where remarks relating to communalism are concerned I have to be particularly careful. The Hon'ble member is replying to certain remarks of the Finance Member about communalism. He is in order.

Mr. Jadhav resuming his address said that the essence of the financial problem was the lot of the agriculturist and all the attention and resources of the Government should be devoted to its betterment.

Mr. OHATFIELD tried to disabuse the members' minds of the impression they seemed to entertain that the whole Presidency was in the grip of famine. Whatever distress there was was only in some parts of the Presidency where there had been scarcity of water due to partial failure of the rains. That was nothing unusual. The Government were quite alive to the seriousness of the situation and prepared to do all to relieve distress.

Mr. ANGADI suggested that the Government ought to be able to carry on with less number of Ministers and Executive Councillors.

Mr. J. L. RIEU, Revenue Member, explained in detail the steps the Government had taken in tackling the agricultural situation. Revenue collections were being made with very great care and consideration.

Moslivi Rafiuddin AHMED maintained that so far as Muslims of the Presidency were concerned there was no communalism about them. It was not right to say that communalism was the result of separate electorates. Formerly the Government used to nominate Muslims to represent Muslim interests. Now the community elected its own representatives which was an improvement.

Mr. WINTERBOTHAM, Chamber of Commerce, appealed to the House to develop provincial patriotism and stand by the Government in their fight against the Weston Settlement. The House then adjourned.

Excise Minister's Statement.

On the 24TH FEBRUARY Mr. G. B. PRADHAN, the Excise Minister, explained the Government's excise policy. Since 1920-21, he said, as a result of the policy of raising consumption had come down so far as country liquor was concerned. In regard to foreign liquor, provincial Governments did not enjoy sufficient control. He declared that every effort was being made to enforce a policy of prohibition. The Government were determined to go forward with the policy at as rapid a pace as possible. Nevertheless, two members speaking on prohibition criticised the Government's policy and declared that very little had been done towards enforcement of complete prohibition.

The Government's educational policy was also strongly criticised by Khan Sahib Abdul LATIF KHAN who said that the portfolio had been entrusted to Ministers who were unacquainted with the educational interests and cared only for British education, Muslim education or Gujarat education.

Explaining the Government's position regarding the need for retrenchment on which many members had spoken, the HOME MEMBER declared that cuts in the Police Department alone had been carried out to the extent of over Rs. 12 lakhs recurring expenditure. After such sweeping reduction, a strong demand came from the public and the press for increase in police establishment, particularly in the north of the city, where development was being retarded by insufficient police force. In the face of such a situation, it was difficult to make any further retrenchment.

Replying to the debate Sir Chunilal MEHTA, the Finance Member, asked the house to remember in criticising him that the Finance Member of a provincial Government which is a subordinate administration with many statutory obligations, was not free to do anything he liked. He was subject to many limitations of the system he had to deal with. Referring to his remarks on the Swarajya Party, which had been criticised at great length, Sir Chunilal said his intention was only to invite the attention of the House to the directions along which the party's programme led the people. He had, however, no hesitation to concede that he owed his present position as the Finance Member to the fact that he was a member of the public and also to the fact that the public demand for participation in the actual administration had its effect on authorities. Coming to the budget, he repudiated the charge of himself being referred to as a Baniya. He accepted the designation and said that he would do his best to bring to bear the Indian point of view with all the skill attributed to a Baniya on the administration of the finances of the presidency.

The Budget discussion then terminated and the House adjourned.

Stamp Act Amendment Bill.

On the 26TH FEBRUARY the Government and the opposition came to grips and ultimately the Government won. A bill further to amend the Indian Stamp (Bombay Amendment) Act 1922 was before the House. Moving the Bill, the Finance Member explained that the object of the Bill was to make the Act permanent. The Act was passed for the purpose of increasing the revenue of the Government, and was to remain in operation for four years and if, at the end of that period, the financial position still made it necessary, its life was to be extended. A Bill to make the Act permanent was introduced last year, but the Council agreed to the extension of the Act only by one year. The result of five years' experience had proved the necessity of retention of the revised scale of fees enacted in the measure. The rejection of the Bill by the House, continued Sir Chunilal, would mean a loss to the Government of about Rs. 20 lakhs. By making the Act permanent, Bombay would only be coming into line with other provinces where the stamp duty was revised at about the same time as in Bombay but was made permanent at the enhanced rate.

Opposition to the Bill was mainly based on two conditions that no more money should be given to the Government inasmuch as it had not spent its resources in the past and that the duty proposed to be made permanent would fall heavily on the poor people more than the rich classes. The house rejected the Swarajist motion for postponement of consideration of the Bill till the next session and passed its first reading by 52 to 27. The second and third readings were also passed. The House then adjourned.

Demand for Supplementary Grants.

On the 26TH FEBRUARY a number of supplementary grants were discussed and passed in the Council. One of them was a demand for Rs. 10,000 excess expenditure in connection with elections. The Home Member explained that the increase of Rs. 10,000 over the estimate was necessitated by larger number of electors who polled and larger number of polling booths. In the course of discussion, members drew attention to many defects and shortcomings of the voters' list. The House then agreed to the grant.

Aden Civil and Criminal Justice Act.

The Home Member then moved that the Bill further to amend the Aden Civil and Criminal Justice Act be read for the first time. The object of the Bill was to appoint a judicial assistant to the resident at Aden who would be able to exercise in cases referred to him all powers of the resident with a view to relieve the latter of at least a greater part of his civil judicial work. The first reading was passed, Swarajists supporting the measure. The Bill was then proposed to be read a second time.

Mr. Amstakal Sheth moved an amendment that the Bill be referred to a select committee of nine. The amendment was carried and the house adjourned.

City Municipalities Act Amendment Bill.

On the 28TH FEBRUARY the House passed a Bill further to amend the Bombay City Municipalities Act 1925. The object of the Bill was to give power to the Government to extend beyond the period prescribed by Section 24 of the Act and up to date not later than 31st December 1937, the life of an expiring Municipality or of a municipality whose term had expired validating all acts and proceedings done by the latter municipality as from date of its original term of office. When the section referred to was inserted in the Act, it was expected that time given to newly constituted borough municipalities would be sufficient to enable them to digest rules for holding of new elections. But this expectation had not been realised and the present measure was found necessary.

The next motion the Council considered was the acquisition of the millers home and plans for proposed new Council Hall be approved and 8 lakhs and thirty thousand be spent on work of building proposition which was moved by the Finance Member and it evoked considerable hostile criticism especially from Mr. J. Q. Swaminathan who, as representative of the cultivators, "would much rather sit under a banyan tree and legislate than squander as much as 8 and a half lakhs on acquisition of new hall." The proposition was eventually passed. The Council then adjourned.

Voting on Budget Demands.

Demand Under Land Revenue.

Voting on demands for grants in the Council commenced on the 1st March 1938. The first demand taken was under the head Land Revenue. The debate on this demand continued till the 8TH MARCH when Rao Sahab D. P. Desai moved that the provision of Rs. 51,86,000 for revenue collection be reduced by seven lakhs. He appealed to the Government not to enforce collection wherever famine conditions prevailed.

Supporting the motion, Mr. W. S. Mukadan, whip of the Congress party, said that the situation was so serious that some agriculturists were borrowing at the rate of four annas per rupee per month. He even knew of an instance in which a farmer was obliged to go to the humiliating extent of pledging his womenfolk. Though the last was an extreme example, it nevertheless indicated the extent of the evil.

After further discussion the motion was thrown out and the Council adjourned.

On the 4TH MARCH, the Council passed the demand of nearly Rs. 52 lakhs under the head Land Revenue after all of the nearly 80 motions for either reduction or omission of provisions were withdrawn or lost in the course of yesterday and to-day.

Demand under Irrigation.

On the suggestion of Sir Joseph Kay (Chamber of Commerce) the House agreed to postpone till 7th March consideration of the motions for cuts in grants for development schemes. Demands for construction and irrigation works were then taken up. Mr. Cowasji Jehangir, General Member, at the outset made a statement on the progress made in Sukkar Barrage works. The first motion for a cut in the demand was moved by Mr. G. I. Patel who wanted that provision of Rs. 24 lakhs for special tools and plants should be reduced by Rs. 10 lakhs.

Mr. B. T. Desai, Swarajist, demanded an inquiry into the complaint so that the presidency might be saved from a repetition of the history of the Backbay Reclamation Scheme. The Chief Engineer in charge of the Sukkar Barrage explained that during the three and a half years of his regime only three engines costing about Rs. 4,000 were found inefficient and thrown into the store room. They were working against time and had, therefore, to employ labour-saving and time-saving machinery as much as possible.

After further discussion the motion was put and lost and the house adjourned.

The Sukkar Barrage Scheme.

On the 6TH MARCH discussion was resumed on cuts under construction and irrigation works. Mr. Fakhrajadi moved that the total amount of Rs. 1,55,23,000 be reduced by Rs. 52,23,000. This provided an opportunity for the general criticism of the Sukkar Barrage construction works in which all sections of the House joined. Several members gave expression of apprehensions that there were many defects in the carrying out of work. Allegations of waste and irregularity were made and a strong plan was put forward for the appointment of an expert Committee to investigate the present state of affairs and

by before the public the exact condition in which the scheme was. Criticisms were particularly directed to what was described as extravagant scale on which bungalows had been built for the convenience of officers engaged on the works. The Sukkar Barrage scheme, it was contended, would, if successful, be not only to the benefit of the Government of Bombay but also to that of the Government of India. It was only proper therefore that the Government of India should bear a part of the expenditure on it.

Mr. Wilson, Finance Secretary, Mr. Harrison and the Chief Engineer replied on behalf of the Government and assured members that strictest control was being exercised on every item of expenditure and the position of the scheme was very satisfactory. The Chief Engineer denied that bungalows were in any sense luxurious and said that even after completion of works, these would be in use as residence of officers in charge of the scheme.

Further discussion was adjourned till the 7TH MARCH when Mr. Pahalajani, replying to the debates, re-iterated the demand for a committee of enquiry into the Sukkar Barrage Works.

The General Member, on behalf of the Government, admitted that the work had been 18 months behind scheduled time, but in big schemes like the Sukkar Barrage some delay was possible. The construction of canals was progressing at a very satisfactory speed and irrigation could be commenced in the hot weather of 1931. The dredgers, it was true, had not done what was expected of them but that had not impeded the progress. The Government had no objection to a committee being appointed as suggested to scrutinise the works and the officers in charge would give it all help they could. The motion was put and lost.

Demand under Excise

The Government's Excise policy then came under discussion when a number of cuts were proposed in the demand for about Rs. 53 lakhs made by the Excise Minister. The debate evoked declaration from the Finance Member that several distilleries had been closed and every effort was being made to enforce the declared policy of prohibition. All motions for cuts were lost and finally the house took up discussion on a cut of one lakh in the whole demand which raised the question of policy. After a few speeches the discussion was adjourned.

Bombay Development Schemes

On the 8TH MARCH an important statement on the activities of the Development Department was made by Mr. Cowasji Jehangir, General Member, in moving the demand for Rs. 66 lakhs for development schemes in Bombay. With regard to the Reclamation he said that the Government had accepted the Meade Committee's recommendations to complete Blocks 1, 2, 3 and 7, but the Government would fully abide by the Council's opinion regarding the work on Block 6. Dealing with the recent accident to the dredger, Sir George Lloyd, he said that the committee which had inquired into it had found that no individual was responsible for it. The dredger was covered by insurance, but the company with whom the insurance was placed had not yet accepted liability. Meanwhile, work on Block 7, which was interrupted by the accident, has been continued with the help of the Kaim. As for suburban schemes, about Rs. 7 and one half lakhs would have to be provided for meeting losses on them. In conclusion he announced that the Government of India had agreed to reduce the interest charged in 1921-22 of Rs. 185 and one half lakhs from 6 and one fourth to 4 and three fourth per cent, and to deduct the loan from the cost of Block 8 of Back Bay which is to be handed over to the military authorities. He also announced that the Development Directorate had been taken under direct control by the Government.

Mr. Joseph Kay moved a cut of about Rs. 21 and one half lakhs in the Rs. 48 lakhs provided for Back Bay and pleaded for abandonment of the work on Block 6. The motion was widely supported.

The discussion was continued on the next day the 9TH MARCH when all speakers expressed strong opposition to filling Block VI on the ground, chiefly, that it would not find a ready market when reclaimed, seeing that all the land already there had not been taken up.

The Government member replying reiterated the assurance that the Government were prepared to abide by the Council's decision as to the work on Block VI.

Mr. Joseph's motion was put to a division and carried by 68 against 28.

The House then considered the reduction Rs. 1 in the total demand for development proposed by Mr. Lajpat Motilal. Mr. Lajpat criticised the policy and working of the Development Department, which he characterised as a "fund on the Council and the public,"

which had had the effect of mortgaging the progress of the Presidency for about two decades. The motion was defeated by a large majority.

The Administration of Aden.

On the 10TH MARCH surprise was expressed by the Home Member at the settlement announced in the Assembly regarding the future administration of Aden. The Government of Bombay, he said, and not, in view of that settlement, propose to proceed with the second reading of the Bill further to amend the Aden Civil and Criminal Justice Act of 1884. During the first reading of the Bill a few days ago he and the Chief Secretary had no reason to suppose that this decision was imminent. The fact that the Government of India had permitted the Bombay Government to proceed with the Bill showed that this decision was not expected. As to what the nature of the future administration of Aden was going to be was not known to the Government of Bombay beyond what had appeared in newspapers and it was obvious that many of the details in regard to that administration had not been settled. The Home member added that the Government of Bombay would press their claims in regard to the expenditure recently incurred by them.

Demand under Excise.

The House then proceeded to discuss the excise policy of the Government and had not concluded when the Council adjourned.

On the 11TH MARCH, replying to the debate, the Hon. Mr. G. B. Pradhan, Excise Minister, reiterated that the Government did not propose to go back on their declared policy. Several of the recommendations of the Excise Committee had been given effect to. Steps which the Government had so far taken were rationing, reduction in the number of shops, bringing down the strength of liquor, increasing the still-head duty on hemp drugs and opium. They had also curtailed the hours of sale. Clubs selling foreign liquor had been brought under control by the imposition of vend fee. The Government were anxious that people should not go in for cheap foreign liquor in the place of country liquor. The main difficulty was bringing the Native States in line with the prohibition policy adopted by the Government. As a result of the fall in revenue, many of these States were clamouring and the Government were trying to secure their Excise rights by paying more compensation. The most effective method by furthering the policy of prohibition was to make the tax on liquor as high as possible without stimulating illicit production to a degree which would increase instead of diminishing the total consumption and without drawing people to substitute drugs and other harmful form of liquor. The Government were not anxious to continue this form of raising revenue if other ways and means could be found which would throw the burden on broad shoulders and not on the shoulders of the poor.

Mr. Patel's motion to reduce the demand under Excise from Rs. 51 lakhs was then put and lost and the total demand was carried.

Demand under Education.

The House then took up the demand under the head Education and proceeded to discuss the policy of the Government with reference to the European education.

After animated discussion the Council threw out Mr. Shivdasani's token motion for a cut of one rupee in the demand for Rs. 7 lakhs for European education in the presidency. The mover said that his motion was intended to record the protest of the House against the system by which the subject of European education was kept beyond the pale of popular control. The House then adjourned.

On the 12TH MARCH the discussion on grants for education was continued. Rao Sahab Dr. Patil moved a cut of Rs. one lakh from Rs. 7 lakhs provided for Government Arts Colleges and complained that the Government was spending more in higher education and starving primary education. On the Education Minister's explanation that local bodies had been asked to submit schemes for the progress of primary education and these the Government would consider and sanction, the Rao Sahab withdrew the motion.

A motion for a cut of Rs 51,000 for inter-science classes at the Deccan College, Poona, evoked considerable discussion. Supporters of the motion argued that it was not fair to give artificial support to any institution and complained that the claims of Dharwar College had not been considered. It was also maintained that the Ferguson College had science classes already and there was no urgent need for opening similar classes in the Deccan College. Opposition to the motion ran on communal lines. One Muslim member declared that there was great demand for inter-science classes in the Deccan College as

Mahomedan students were kept away from the Ferguson College, since the intention of the Brahmans who controlled the latter was to keep Mahomedans uneducated so that they might not compete with them. The motion was eventually withdrawn.

The House then proceeded to discuss the total grant of about Rs. 2 crores for Education—Transferred. The Government was subjected to severe criticism on the score of having transferred the responsibility for primary education to local bodies who were hardly capable either financially or otherwise to bear the burden. The discussion was adjourned.

Administration of Aden.

On the 14TH MARCH Mr. A. Sheth moved an adjournment of the House to consider the transfer of Aden to the Imperial Government and voiced the resentment felt by the members at the failure of the Government of India to consult the Bombay Government or the Council before reaching a decision. The motion called forth a statement on behalf of the Government of Bombay from Sir Chunilal Mehta who put the House in possession of certain information on the subject which had been communicated to the Government. Firstly, the transfer related purely to military and political matters. The civil administration would continue to be in the hands of the Government of India and it was understood that Aden would continue to be as at present part of British India. Military and political administration of the settlement, continued Sir Chunilal, were never the concern of the Bombay Government as relations with neighbouring powers or authorities and with European powers who had interest in that region were not in their charge or of concern to the Bombay Government in whose position therefore the decision announced made no change. In view of the explanation, the motion was withdrawn.

Demand under Education.

The Minister for Education then announced that he was considering the appointment shortly of a Committee to go into the curricula of primary, secondary and higher education with a view to co-ordinate these courses and to give them a vocational bias. In regard to the working of the primary Education Act, he had issued instructions to officers in his department not to work the act in a harsh manner, but so as to give the local bodies as much freedom of action as possible in all domestic matters. The demand for education was then unanimously passed.

Demand under Agriculture.

The House then took up discussion of the demand for 25 lakhs for agriculture and rose for the day before concluding it.

On the 15TH MARCH Sir Chunilal Mehta, speaking on the demand under the head agriculture of Rs. 25 lakhs, admitted that there was a big gap in the requirements of the agriculturists while there was no agency to supply the co-operative movement contributing about six crores out of seasonal needs of agriculturists amounting to 25 crores. There was, therefore, some truth in the complaints from the cultivators that large areas of lands were lying uncultivated for lack of funds and when this was brought to his notice in Khandesh, the complaint was investigated by a committee and the maximum limit of the borrowing of the cultivators in these parts was raised from 300 to 600 rupees. There were several tracts in the presidency where the cultivators could safely be given more loans than at present and provincial co-operative banks had large sums of money which could be utilised for the purpose.

Mr. G. B. Pradhan, Minister for Agriculture, said that the whole question of fragmentation of holdings was under investigation by the Government. The total demand was then made.

Demand Under Public Health.

The demand for Rs. 21 lakhs under public health was discussed at length. Mr. Shivdasani complained that Gujarat did not receive a fair treatment in the matter of grants for works relating to public health. After further discussion, the demand was made in full and the House adjourned.

Non-official Bills Introduced.

On the 16TH MARCH a number of non-official bills were introduced. Out of eight bills formally introduced two related to the President's salary, one of them seeking to reduce it from Rs. 3,000 to Rs. 2,000 and the other allowing him a salary only so long as he devoted the whole time to the business of the Council. The third bill moved by Mr. J. Adityaman had the object of enabling the Government to authorize the Western India Turf Club to permit the presence on the race-course in Poona and Bombay of a limited number of bookmakers. It had been found by experience, he said, to be im-

possible to suppress unlicensed bookmakers from the premises of the Turf Club and despite the efforts of the police it was known that the bookmakers existed outside these premises. It was obviously better that such gambling as did exist should be under proper control and it was believed that, under strict conditions which it would be possible to enforce, much of unlicensed gambling could be suppressed. The fourth bill was intended, as the mover explained, to remove inequality between the rich and the poor candidates in an election under the law as it existed, hiring of vehicles was included in corrupt practices but a rich and influential candidate evaded it by borrowing vehicles from friends, while the poor rival was at a disadvantage in that his only recourse was to hire vehicles which was prohibited by rules.

Election to Advisory Committee.

The House then devoted over two hours to the question of electing members to the Advisory Committees of the three railways in the city but finally postponed the election till the next day.

Land Revenue Assessment Committee's Report.

The first non-official resolution standing in the name of Rao Bahadur Kale and recommending that immediate effect be given to the suggestions contained in the report of the Land Revenue Assessment Committee recently published was then taken up and was still under discussion when the House rose for the day.

On the 17TH MARCH only one non-official resolution could be disposed of by this session of the Bombay Legislative Council before it was prorogued. With the exception of an hour for questions the day was occupied with discussion on Rao Bahadur Kale's resolution for giving effect to the recommendation of land revenue assessment of which two were specially stressed by non-official members as most urgent and important. They were, first, that in revising assessment of land revenue regard should be had to the profits of cultivation. The Settlement officer should take into account the following factors: (a) The state of communication during the previous settlement; (b) Proximity of markets; (c) Trend of prices; (d) General economic conditions and history of tract; (e) Result of crop experiments and (f) Rental value. In order to ascertain the rental value the real rents paid in open competition by tenants to landlords during the five years immediately preceding the revision settlement excluding years of abnormal prices should be taken into consideration.

Secondly, that the standing to examine all revision settlement proposals. The non-official section of the House maintained that permanent settlement should be introduced after equalising assessment by fixing it as 25 per cent. of the profits of cultivation. Failing this no revision of the settlement should be made without the approval of the Council. They condemned the Government's action in proceeding with the revisions while the whole question was still under consideration of the Council. Officials pointed to the delay that had already taken place in arriving at a decision on the question and contended that several lakhs of rupees would have been lost to the State if revision of settlement had not been carried out by the Government.

Finally, the resolution was carried by 53 to 29 with the addition that pending legislation along the lines of the recommendations of the committee, orders should be issued to the revenue authorities concerned not to collect assessment changed in revision after the 15th March, 1924.

The Council was then prorogued.

The Madras Legislative Council.

On the 26TH JANUARY His Excellency the Governor, accompanied by Viscountess Goshorn drove to State to the Council Chamber and opened the third Reformed Madras Council, which he addressed. Mr. C. V. S. Narasimha Raju, the President, was in the chair. There was full attendance of members and nine new members took the oath of allegiance.

The most important business after the Governor's address was the election of the Deputy President, for which the Independent Party nominated Mrs. Muthulakshmi Ammal, the lady member of the Council. Other candidates having withdrawn from the field, she was elected unopposed as Deputy President.

Governor's Address.

H. E. the Governor, in addressing the Council, observed since the last session there has been considerable change in the position of parties, but there has been change in the needs and requirements, in the hopes and aspirations of the people of this Presidency and of India as a whole as to the measure of time in which these can be fulfilled and the ultimate extent to which they can be satisfied. There may be difference of opinion, but I would venture to hope that at least on the road towards those ideals we can all march together in a spirit of joint endeavour and determination, that no action of ours shall obstruct the forward march, although different paths may be chosen all leading in the same direction.

It is for us here in Madras, in the Presidency in which so strong effort has been made to work the Reforms to demonstrate at this psychological moment in the history of the Reforms our fitness for further responsibilities.

In conclusion, the Governor referred to the Statutory Commission provided for by the Government of India Act, which will begin to function at the latest in 1939, and in any case in the life-time of the present Council. He was convinced that the members of the House were cognisant of the paramount need of demonstrating to that Commission that the education of the electorate and the country at large and the development of team spirit, which should underlie and was the necessary concomitant of all democratic institutions, had proceeded on right lines towards further constitutional development and reorganisation of the machinery of the Government so as to conduce to the best advantage of the Presidency.

H. E. hoped especially that with ungrudging co-operation of the Council a strenuous campaign will be initiated for educational advancement and general amelioration of the depressed and backward classes, whose progress would without doubt facilitate all further steps.

Adjournment Motion on Mettur Project.

On the 24TH JANUARY, after interpellations, a motion for the adjournment of the business of the house to discuss the unsatisfactory nature of the Irrigation Department and the necessity for modifying with a view to grant irrigation facilities to the district of Trichinopoly was moved by a representative of that district. The President allowed the motion which was set down for discussion on the next day subject to the approval of the Governor. The house then proceeded to transact non-official business.

The first item was a resolution recommending that famine relief works should at once be started by the Government in non-deltaic tracts of Nellore district. A number of amendments extending the scope of relief works to other areas were also tabled.

The House next permitted Mr. Saldanha to introduce an amending bill to the Elementary Education Act. The Amending Bill to the Andhra University Act was not moved.

After lunch the adjournment motion brought by the member from Coimbatore to discuss the unsatisfactory nature of Government order on irrigation and the urgent necessity to modify it, specially with a view to granting some irrigation facilities under Mettur scheme to districts of Coimbatore and Salem was discussed.

Mr. Narayanram Pillai moved an amendment to include Trichinopoly also, but it was ruled out of order. Representatives from Salem, Coimbatore and Trichinopoly supported the motion. The mover pointed out that the Mettur project had depopulated 56 square miles of land for purpose of stagnation water and had rendered homeless about ten

hundred thousand. The speaker urged that the Government should provide for irrigation by way of compensation of about 25,000 acres of land below Mettur dam for which the people of Salem and Coimbatore were prepared to pay even at maximum rates.

Sir C. P. Ramaswami Iyer, replying on behalf of the Government, said that the scope of the Mettur Project was such that the extension of the scheme to Coimbatore and Salem was impracticable while the district of Trichinopoly was well served by Kattalai system.

The member for Tanjore was speaking on the motion when the President announced that it was five and the discussion automatically stopped.

On the 25TH JANUARY, an adjournment motion brought by a member from Coimbatore to discuss the "unsatisfactory nature of the Government order on irrigation and the urgent necessity to modify it, specially with a view to grant some irrigation facilities under the Mettur scheme to the districts of Coimbatore and Salem," was talked out.

The mover pointed out that the Mettur project had depopulated 55 square miles of land and had rendered homeless about 200,000 people. He urged that Government should provide for the irrigation of about 25,000 acres of land below the Mettur Dam, for which the people of Salem and Coimbatore were prepared to pay even maximum rates. Sir Ramaswami Iyer, replying on behalf of Government, said that the scope of the Mettur project was such that an extension of the scheme to Coimbatore and Salem was impracticable, while the district of Trichinopoly was well served by the Kattalai system.

On the 26TH JANUARY, a resolution urging the Government to start relief works, including remission of revenue for the next three months in the non-deltaic tracts of Nellore and in areas affected by the failure of the monsoon in the districts of Namjam, Godavery, Guntur, Karnool, North Arcot, Trichinopoly, Tinnevely, Bellary, Anantapur, etc., was passed after a prolonged discussion. The Revenue Member explained the Government policy and said that relief measures could not be directed to compensating farmers for any loss they may have sustained during a bad season. The Government directed their attention primarily to taking steps to avert the loss of human life, and to support those who might become destitute. He, however, promised to take such measures as were possible through the agency of district officers.

On the 27TH JANUARY, Mr. Satyamurthi moved the adjournment of business for the purpose of discussing a matter of urgent public importance, namely, the need for the Government of Madras to represent to the Government of India the opinion of the Council that it wholly disapproved of the action of the Government of India in sending Indian troops to China, taken as it was without reference to the Legislative Assembly.

The President asked the mover whether the motion was in order.

Mr. Satyamurthi stated that the motion merely sought to communicate the opinion of the house, as a representative popular body, to the Central Government, and had no intention of interfering with the foreign relations of the Central Government. Besides, matters affecting the Central Government had on previous occasions been discussed on the floor of the House. He pointed out that the matter was also of local importance as troops, especially Sappers and Miners, were reported to be despatched from the Madras Presidency.

Sir Ramaswami Aiyer, the Leader of the House, objected to the motion as it affected the relations of the Government of India with a foreign Government.

The President satisfied himself that the motion was in order, and allowed its discussion being fixed for the afternoon, subject to the Governor's approval.

Before the Council rose for lunch the President announced that the Governor had disallowed Mr. Satyamurthi's adjournment motion.

Moplah Colonisation of the Andamans.

There were about 45 resolutions on the agenda, of which only three were discussed and passed. The most important of these was one on the Moplah colonisation of the Andamans which recommended to the Government that immediate steps be taken to cancel the scheme and to transfer all Malabar rebellion prisoners from the island to Indian jails.

Khan Bahadur Mahomed Osman, Home Member, stated on behalf of the Government that the Government of India was responsible for the scheme, that at present there was no such thing as Moplah colonisation, since the scheme had been made an all-India one, and that the objections raised against it were purely sentimental. Several members spoke condemning the scheme and asking for its immediate cancellation. The resolution was passed by 56 votes to 23.

Another resolution passed on this day recommended to the Government to amend the Famine Code in order to facilitate famine relief works by zamindars and landowners.

Hindu Religious Endowments Act.

Replying to interpellations regarding the Hindu Religious Endowments Act, the Law Member said that in view of the circumstances it was the intention of the Government with the help, if possible, of members of all the interests concerned, to explore the subjects about which a controversy had taken place, and to bring forward an amending Bill at the earliest opportunity to improve the Act, wherever necessary, and make it acceptable to the people for whose benefit it was intended.

The first Session of the Madras Council closed on this day after a four days' sitting to meet again on the 1st March for the Budget session.

Financial Statement for 1927-28.

On the 1ST MARCH, in presenting the financial statement for the year 1927-28, Mr. T. N. Mohr, the Finance Member, summarised the position thus:—

"Against a revenue of 1654.80 lakhs we anticipate an expenditure of 1724.18 lakhs in 1927-1928. Expenditure on that scale is rendered possible only by the fact that we have accumulated revenue balances amounting to 184.71 lakhs. These balances once spent do not recur and represent in part unanticipated windfalls, in part expenditure in previous years less than what provided for in their budgets. We are also labouring under the disadvantages of an unfavourable season which will affect the revenues of the coming as well as of the current year. Even under normal circumstances these revenues increase but slowly and our existing commitments will for several years continue to absorb the major share of such additions to our resources. We have also large commitments under schemes of a non-recurring nature while schemes of capital expenditure are for the present making increased demands on our revenues in connection with the payment of interest and the re-payment of capital.

"It might under these circumstances be urged that there is an element of recklessness in the budget now placed before the Council. I do not deny that all these considerations give food for thought but in the first place we may reasonably hope that the next monsoon will not follow the example set by its predecessor. Our commitments are not so out of our control that we cannot adjust future expenditure to our existing resources, should that, I sincerely hope it will not, prove necessary. And I am so impressed by the immense amount of ground yet to be covered in all administrative directions that I am unwilling to give the signal for reduced speed until convinced that it is essential.

"And here it is well to remember that our potential resources are not exhausted, though when and to what extent they will be released rests ultimately in other hands than ours. Although it is a matter in which a heavy responsibility rests upon our representatives elsewhere, we still pay a contribution of 165 lakhs from our provincial revenues to the Central Government. With that sum at our disposal we would have sufficient resources to meet all reasonable or possible administrative developments for the next three years.

"It is the peculiar misfortune of our Presidency that in its Pilgrim's Progress towards possession of its own estate, it has encountered and still encounters formidable obstacles and that at each stage fresh and fierce lions roar against it. But so far as the Government of India are concerned the long fight is over. In the budget which was produced in the Legislative Assembly yesterday the Hon'ble Sir Basil Blackett announced that if the Government of India's proposals for 1927-1928 are adopted they ensure a total recurring remission in respect of the provincial contributions of 250 lakhs and a non-recurring remission of 285 lakhs. The share of this Presidency is 116 lakhs recurring and 49 lakhs non-recurring, that is to say our province will at last stand in full possession of its proper revenues.

"It would be rank ingratitude on my part if, knowing as I well do how colossal the task has been, I fail to pay a tribute to the sincerity and the determination with which Sir Basil Blackett has laboured to remove what he has termed "a millstone round the neck both of the Central Government and of the Provincial Governments poisoning their mutual relations and hampering every action." I do not ignore their lions still in the path nor am I prone to count my chickens before they are hatched but I firmly trust that his efforts will be crowned with success and that that success which will be so much to this Presidency will be secured not merely by the goodwill of the Government of India but by the active co-operation of our own representatives in the Central Legislature.

"I have already stated that given our revenues we can contemplate a noteworthy and continuous development of our ameliorative programmes during the next three years, that too without any additional taxation: such is the prospect opened before our eyes. It

exceeds our most sanguine anticipations and it is one which I venture to think the Council and the people of this Presidency will not readily forgo."

With the expenditure put at an advanced figure with large commitments under schemes of a non-recurring nature with schemes of capital expenditure making increased demands conceded, it might be argued that there was an element of recklessness in the budget. But he hoped for better monsoon next year and Govt's commitments were not so out of control that they could not adjust future expenditure to their existing resources. Still, their potential resources were not exhausted. Even the present schemes were made possible by reason of accumulated revenue balances which to-day amounted to 184 lakhs.

Discussion on Important Bills.

After the Finance Member's speech the Council granted a sum of Rs. 50,000 to the Government for the purchase of sera and vaccines required for the inoculation of cattle. A heated discussion next ensued on the Finance Member's resolution asking for approval of the house for continuation of unfinished irrigation and civil works. The opposition characterised the motion as illegal. After considerable discussion the motion was put and lost without division.

Small Causes Courts Act.

Sir Ramaswami Iyer then introduced a Bill to amend the Madras Presidency Small Causes Courts Act giving jurisdiction to the city civil court now vested in High Court to try cases relating to the title of property of small value. The Bill was passed into law. Two other official bills were then introduced and referred to the Select Committee. The first was a Bill to amend the Madras Prevention of Adulteration Act providing effective remedies against sale of watered milk, adulterated cream, butter and the second Bill to repeal the Madras Planters Act. The Council adjourned.

The Budget Discussion.

That dayreby is unworkable in practice was the sum and substance of the speeches made in the Council on the 3RD FEBRUARY in course of the general discussion on the budget. While the Congressmen said so directly, members of other parties gave out enough material to enable any impartial observer to come to that decision. The first speaker was a Swarajist, Mr. P. C. Venkatapathi Raju, who drew attention to the lack of irrigation facilities and starving of nation-building departments.

Sir A. P. Patro, ex-minister, congratulated the Finance Member and said that financial independence was a condition precedent of provincial autonomy. He pressed for relief in taxation notably in court fees and stamp duties.

Mr. G. Harisvarthama Rao subjected the budget statement to a critical analysis from the democratic point of view, and proved how it hopelessly failed to stand that test. The cause of the ryot was advocated by everyone of the speakers and the encouragement of cottage industries and hand-spinning was also advocated. Mr. Krishna Nair sounded a note of warning against proceeding with further work in connection with the gigantic Cauvery mettur project which is estimated to cost more than six crores without placing on the statute book an irrigation law which the irrigation member himself had very often emphasised as essential before launching upon any big project. The way in which selections are made to the High Court Bench came in also handy for criticism while a Christian and two Mohamadan members pressed for communal justice. The discussion was on the whole on a high level compared with the previous years.

On the 4TH MARCH, in course of the general discussion on the budget, attention was drawn among other things to the need for promotion of rural sanitation, indianisation of higher posts, notably in the police department and the improvement of the machinery of administration of civil justice in mofussil.

Doctor Mothulakshmi Ammal pleaded for the establishment of children hospital for Madras and opening up of new secondary schools for women. Opposition members also urged retrenchment and reorganization of the departments of agriculture and industries.

Mr. C. Wood, Madras Chamber of Commerce, welcomed the budget as a laud and business like one and expressed appreciation of the provision for agricultural and industrial development but regretted a lack of provision for combating social evil. The Council then adjourned.

Voting on Budget Demands.

Voting on Budget demands commenced on the 14TH MARCH. Token motion on demand under Survey and Settlement, under the head Land Revenue afforded opportunity for opposition members to criticise the Land Revenue Policy of the Madras Government,

Speakers emphasised the need for the introduction of a satisfactory Land Revenue Settlement Bill giving the Legislative Council power to fix rates.

Mr. Marjoribanks, Revenue Member, replying said that the Council had no mandatory voice in the matter and that the proper course would be for the responsible Minister to bring in a motion. The token out was carried. The Council next negatived by 57 votes to 33 the Swarajist motion for total omission of Rs. 24,78,300 allotment for Survey and Settlement.

Demand Under Excise.

On the 16TH MARCH discussion centred round the Swarajist motion for a token out in the salary of the Excise Commissioner.

During question time the Home member stated in answer to interpellation that the number of women and children taken to Andamans under colonisation scheme was 336 and 510 respectively.

Swami Venkatachalam Chetty, opposition leader, warned the Ministry that no country would tolerate a Government which did not quicken up the pace to total prohibition. Mr. Krishnan Nair in calling on the Independent Ministry to carry out the policy of prohibition took occasion to declare that the "Justice" party had decided not to accept office in the present Council. The President asked him to confine himself to the Excise policy. Mr. Krishna Nair drew attention to the fallacy of the Swarajists condemning diarchy and at the same time supporting Ministry. Several speakers emphasised the need for forward step towards total prohibition.

Replying to the debate Mr. B. N. Arogyaswami Mudaliar, Excise Minister, declared that the Ministry had accepted the ideal of a dry Madras and would work up to it by definite and progressive stages. His policy would be a further reduction in consumption by the extension of prohibition areas, extension of duty on spirits and such other methods as were suitable. The financial aspect of the matter was under consideration and the Finance Committee had not yet reported. Subject to the limitations of diarchy he would work up to the goal.

Mr. Satyamurti declared that Congressmen were there to kill diarchy. The policy of the present Ministry was an advance on the record of the "Justice" Ministry. He added that if the Raja of Panagal as the leader of the "Justice" Party stated from his place in the Council that diarchy was unworkable, the Swarajists would readily join the "Justicites" in defeating any Ministry. But they would not break the present Ministry on the strength of what the "Justicites" had been saying with a view to coming to power again.

After further discussion the token out was carried by 59 against 50 votes. Next the whole demand under Excise was put and carried without a division.

On a token out under the head "Stamps" the opposition members urged a reduction in Court Fees. The Council then adjourned.

Demand for Provincial Autonomy.

On the 18TH MARCH the grant of further constitutional reforms, particularly provincial autonomy for Madras was strongly urged by the opposition members in the debate over a token motion under "Allotment for the Governor's Household".

Mr. S. Satyamurti, Deputy Leader of the Congress Party, declared that he would not raise the larger question of Swaraj for India, but would deal with the question of abolishing diarchy by granting autonomy to the province. He added that diarchy could not be worked. The Government should always be whole and indivisible. He asked those who felt that they could resist the advancing wave of modern democracy, whether they were going to drive all to despair and make of India a greater Ireland.

The speaker was there because he believed that the political question would be solved by mutual goodwill. He quoted the views of the Raja of Panagal and Sir A. P. Patro submitted to the Muddiman Committee in support of the contention regarding the unworkability of diarchy. He contended that when the party whose members were the "pet children of the bureaucracy" had stated that diarchy was unworkable and autonomy was necessary, there was no case for the Government. Sir Malcolm Hailey's assurance that his Government would do all that could be done was empty. He was sure that the present Ministers would find very soon that they were there to carry out the behests of unseen powers and that under diarchy they had no real power, responsibility or initiative. It had been said that the Britisher was out to civilise and train the Oriental in self-government. The speaker urged that Madras should get substantial political reforms as her people were the oldest people. The debate had not concluded when the Council rose for the day.

Next day, the 19TH MARCH, the discussion of the constitutional issue on a token motion under the Governor's Household was resumed.

Mr. Krishna Nair characterised the diarchy as an unsuccessful experiment and stressed the need for a forward step in Constitutional Reform, like the transfer of all subjects to the transferred half.

Dr. Muthulakshmy Ammal paid a tribute to the British for inculcating respect for law and order and for the maintenance of peace. She said that India's yearning for freedom was a natural and legitimate craving and her national consciousness was the result of contact with the freedom-loving nations of the world. It was time for the Indians to shoulder more responsibility. She appealed for the spirit of brotherhood and for the throwing open of the temples and schools to all classes without distinction and added that when unity was achieved no power on earth could stifle India's aspirations.

The representative of the depressed classes spoke on the value of the British connection and emphasised the need for the protection of minority interests.

The Hon. Mr. Marjoribanks, Revenue Member, replying, said that the Madras Government was a subordinate Government and as such it had no power to alter the constitution. Their duty was to work it in the best interests of the people. It was probable that at no distant date the Government would be called upon to report on many aspects of the diarchy, and when the time came the Government would communicate the weight of resentment given expression to in the House. He wanted the House not to imagine that any section of the Government was hostile to their claims.

Swami Venkatchellam Chetty, leader of the opposition, enumerated the defects of diarchy and urged the grant of provincial autonomy.

Mr. Srinivasan, depressed classes representative, declared that the removal of untouchability should be the first step towards Swaraj. He invited the Royal Commission on Reforms to visit the villages and devise means for the amelioration of the lot of millions of the masses.

The motion was put to the House and carried, 67 voting for and 26 against it. The Ministers remained neutral.

Other Demands.

The reduction of the number of Executive Councilors to two was urged by the opposition members this afternoon on the motion for a token cut in the allotment for the Executive Council under the head "Secretary." The cut was effected, 51 voting for and 51 against.

The Council passed the demands under the heads "Legislative Bodies" and "Provinces" of Rs. 2,70,000 and Rs. 5,91,000, respectively. The token motion calling for a change in the hours of the sitting of the Council was negatived. Attention was drawn to further Indianisation in the Secretariat and effecting retrenchment by the Swarajists members on the motion for a nominal cut in the demand for the Chief Secretariat.

A "Justice" party member brought forward a cut motion to raise the question of allotting seats for ex-Ministers in the front opposition benches. The President ruled it out of order at that stage, stating that one of the party leaders had informed him of his intention to raise the question on the floor of the House and that he (the President) would fix a day convenient to the member concerned. The Council then adjourned.

Demand for Ministers' Salaries.

The demand for Ministers' salaries was taken up on the 21ST MARCH. Mr. R. Muniswami Naidu, of the Justice Party, moved a token cut to express no confidence in the Ministry.

Swami Venkatchellam Chetty, leader of the Congress party, explaining that his party would not vote on the question, said that they would always be ready to see their vote against the Ministry when they were satisfied that such a course would achieve the objective of the Congress, namely, preventing any Ministry under Dyarchy.

Dewan Bahadur Krishnan Nair (Justice) and the party in power was drawn from a minority and the Ministers did not have the confidence of the people.

Dr. Subbarayan, Chief Minister, replying, said that he accepted office because he felt it his duty to undertake the responsibility of constitutional government of the province. So long as he had the confidence of the House through the neutrality of his friends opposite (Swarajist benches) he had the right to be in the ministerial office. He assured the House that he would not fear at the expense of the State during six months before the elections. He added that the token cut on the Excise demand was one of no confidence in the policy of the previous Ministry than on the policy of the present Ministers.

Members of the Independent Party emphasised that their party programme was one acceptable to the Swarajists and the Justice Party. To-day the Swarajist policy was under-

going a welcome change from boycott to honourable co-operation and the Justice Party had no reason to look down upon such a change.

Mr. C. E. Wood, Madras Chamber of Commerce, desired to know if the token cut was a minor matter intended to draw attention to certain policies. He meant that the Ministers should resign if the latter was the idea, but he strongly deprecated the attempt to censure the Ministry at so early a stage in its life.

By 55 votes to 13 the Council negatived the motion of no confidence, 16 members remaining neutral of whom 11 were of the Congress Party.

The Council also voted down another Justice Party motion for a substantial reduction in the demand under the head "Ministers." The whole demand of Rs. 4,52,000 was then put to the House and carried without a division.

The practice of appointing temporary judges to the Bench of the Madras High Court was condemned by several members who spoke on a Swarajist motion for a reduction in the allotment under the head of "administration of justice".

The cut was effected, 56 voting for and 30 against. The Council adjourned.

Madras Police Budget.

On the 23RD MARCH the Government sustained a defeat on a Swarajist motion for a reduction by Rs. 5 lakhs of the allotment of Rs. 151,86 lakhs under the head "Police." Opposition speakers urged the need for retrenchment and drastic Indianisation of the Police Department.

Sir Ramaswami Iyer, replying, stated that during the last three years a reduction of Rs. 12 lakhs had been effected in expenditure under the "Police Department," and he would do all in his power to further Indianisation. The motion was put and carried by 46 votes to 44. The whole demand was next put and agreed to, subject to the above cut, by 55 votes to 38.

Anti-Drink Propaganda in Madras.

On the 25TH MARCH the need for rescinding the Government order prohibiting officials of the Public Health Department from doing any propaganda work against the drink evil was emphasised by several speakers in the debate on a motion to reduce by a token cut the allotment under the head "Public Health."

Dr. Muthulakshmi Ammal said that Public Health officials should be allowed to carry out anti-drink propaganda as part of their duties.

Swami Venkateshchellam Chetty, leader of the Opposition, condemned the present prohibitory order and called on the Health Minister to make the position of the Ministry clear. Members of the Justice Party also supported the motion.

The Minister, replying, said that he was glad that there was unanimity of opinion on this question. What surprised him was that even members below the gangway (Justice party) should have changed their views in the matter. Those members were showing a change of heart in various other matters and it was all to the good. The Government had decided to remove the restriction and an order to this effect would be issued shortly.

In view of the Government's decision the motion was withdrawn and the grant passed.

The voting of the Budget demands concluded on this day. It is noteworthy that during the ten days' voting only one substantial cut was effected, that of Rs. 5 lakhs in the police grant, all other cuts being token ones. The Council then adjourned.

Debate Over the Supply of Khadi.

On the 26TH MARCH, after question time, Mr. B. S. Mallayya, Swarajist, moved for an adjournment of the House to consider a matter of urgent public importance, namely, reconstruction and remodelling of the Madras General Hospital.

Sir C. P. Ramaswami Iyer, the leader of the House, pointed out that the motion could not be in order as it sought to revive discussion on a matter already discussed. He added that the matter involved was not of recent occurrence.

The President said that there was a precedent during the time of Mr. Swamikannu Pillai.

Sir C. P. Ramaswami Iyer questioned that ruling with due respect to the former President.

Swami Venkateshchellam Chetty, the leader of the opposition, observed that the question of remodelling the hospital was dealt with in the budget and it was proper that discussion should be raised on that provision over adjustment motion.

The president finally ruled that the motion was in order.

A strong plea in favour of supplying Khadi for uniforms and other supplies was put in by Swarajist speakers in the debate over a token cut in the supplementary demand of

Ra. 75,000 for stationary and printing (transferred). Dr. Subbarayan, Chief Minister, reiterated his faith in handspinning and weaving industry as a welcome subsidiary occupation to India's millions and said that he could not do anything in the matter as cloths coming under the demand were made in jails with Indian mill yarn. Several members stressed the economic value of Khaddar to the vast rural population in these days of

Replying to the debate Mr. T. E. Weir, Finance Member, made it clear that they had no prejudice against hand-spun yarn and hand-woven clothes. Possibilities of encouraging such cloth would be explored if quality was found to be the same as that produced in jails. Handspinning was introduced even in jails in order to help the convict to earn a honest livelihood after their release.

The Motion was by leave withdrawn and the supplementary grant was agreed to. The Council also voted the supplementary demand of Ra. 12,000 for Ministers' travelling allowances.

Madras University Act Amendment Bill.

On the 29TH MARCH, Mr. S. Satyamurthi, member for the University, moved for permission to introduce a Bill to amend the Madras University act, 1923. The amending bill proposed the number to be elected by registered graduates to the Senate to be raised from 30 to 40 and the repeal of the principle of proportionate representation so as to allow normal voting to be the rule. It provides for the abolition of the council of affiliated colleges and doing away with the representation of District Boards on the Senate.

Before Mr. Satyamurthi rose, Mr. M. Krishnan Nair "Justiceite" moved for the postponement of the Bill on the ground of want of time to study provisions. Another "Justiceite" member characterised the amending Bill as a piece of mischievous and vindictive legislation.

Dr. Subbarayan, Education Minister, said that he felt that an amendment of the Madras University Act was urgently called for, but he did not agree with all the provisions of the amending Bill. He left that question of postponement entirely in the hands of the House.

Several Swarajists protested against the motion for postponement and said that it was an attempt to strangle the Bill. The motion for postponement was then put and negatived.

On the 30TH MARCH a Swarajist motion for the adjournment of the House to discuss the question of the acquisition of a farm belonging to the Andhra Ayurvedic Pharmacy at Avadi for the purposes of housing the Malaya Emigration Depot was withdrawn on an assurance being given by the Revenue Member that the Madras Government would withdraw the acquisition proceedings.

Introducing his Bill to amend the Madras University Act of 1923. Mr. Satyamurthi, member for the University, repudiated the suggestion that the Bill was the result of a conspiracy between himself and the Chief Minister. It was not a Government Bill masquerading under the name of a private Bill. It was not his intention to Brahminise the Senate. The amending Bill sought to expunge the elements of conflict.

While Mr. Satyamurthi was speaking Sir A. P. Patro, ex-Education Minister, referring to the Bill, exclaimed "such trash."

Mr. Satyamurthi sought the protection of the Chair and the Deputy President ruled that the word was not in order, upon which the ex-Minister withdrew the offending remark.

Dewan Bahadur Krishnan Nair, Justice Party, opposed the reading of the Bill on the ground that its provisions were not calculated to further communal justice.

Several Swarajists and Independent members gave their unstinted support to the Bill.

Dr. Subbarayan, Chief Minister, denied having had to do anything with the drafting of the Bill. He said that communal justice ought to be the watchword of the Council. The system of proportionate representation should be the rule and the reduction of gradual representation on the Senate was undesirable. He proposed to introduce the amending Bill in August, in which some of the desirable amendments of the present Bill might be embodied.

The debate had not concluded when the Council rose for the day to meet on the next day, the 31st March when, after some discussion of the University Bill, the Council prorogued.

The U. P. Legislative Council.

The Third Reformed United Provinces Legislative Council met at Lucknow on the 10TH JANUARY 1927. Out of a total of 123 members as many as 118 took the oath of allegiance to the Crown. The remaining ten members were absent.

The only item of business on this day's agenda was the election of the Council President. Rai Bahadur Lala Sitaram who held this office in the previous Council was unanimously re-elected and after he had been congratulated on his re-election by a number of speakers belonging to every party, the Council adjourned till the 24th January.

Discussion on Prohibition Resolution.

On the 25TH JANUARY there was a prolonged debate with considerable excitement on the resolution moved in the Council by a Swarajist member urging on the Government to speedily bring about a total prohibition of liquor and adopt local option.

An amendment was moved to this resolution recommending to the Government to bring about total abstinence (instead of prohibition) as speedily as possible and circulate the Bill embodying the principle of local option for public opinion. The heat of the debate was due to the fact that whereas the mover of the resolution and his supporters, mostly Swarajists and Nationalists, would have nothing short of prohibition, the mover of the amendment, his supporters and officials expressed the view that prohibition was not within the scope of practical politics. People could not be forced to give up liquor; but they could be educated to dread its use. The Government were doing their best to promote the cause of temperance. They had restricted hours of sale, reduced the number of shops by 42 per cent during the last five years and had extended the sealed bottle system. Regarding consumption of country liquor, the Excise Minister pointed out that it had fallen down by nearly 60 per cent since 1920. Government's Excise revenue had fallen down by nearly 50 lakhs in the course of these few years; but the Government only felt gratified at this fall of revenue since it clearly showed that their Excise policy was bearing its fruits. There could be no better proof of sincerity of the Government's profession than that total abstinence was their goal.

Mr. C. Y. Chintamani questioned the Government if they had any means short of prohibition the adoption of which could bring total abstinence. To this the official reply was that the Government hoped that the measures they had adopted since 1920, in other words, prohibitive excise duty, reduction in the number of shops, restriction in the hours of sale, were likely to lead to total abstinence.

After a prolonged discussion, the Council carried the amendment by 57 votes against 29. Thus the Swarajist resolution was defeated.

Abolition of Commissioner's Posts.

On the 27TH JANUARY the Council by a majority passed a resolution recommending abolition of five out of ten commissionerships in the United Provinces. Supporters of the resolution including Mr. Chintamani argued that tax-payers should not pay for the bad selection of District Officers, which was the main ground stated for the appointment of Commissioners in the Province.

Sir Samuel O'Donnell pointed out that the appointments were necessary for efficient control over district administration which in the recent years had grown both in difficulty and complexity. Further, the Government of India had definitely ruled out the question of abolition of all Commissionerships or of exact half. The Government was, however, prepared to consider if any particular post could be reduced as it was hoped that the recent tenancy legislation would reduce substantially the number of revenue appeals.

Government Contribution to the Benares Hindu University.

The Council then adopted without division a recommendation to contribute to the Benares Hindu University a substantial grant-in-aid. The Education Secretary pointed out that it was an All-India institution.

Rural Development Scheme.

On the 28TH JANUARY, after the election of the representatives to three committees, Mr. Govind Ballabh Pant, Swarajist, moved the first resolution. It was a recommendation to the Government to prepare a scheme for promoting primary and vocational

education, sanitation, agriculture, cottage industries, co-operation, means of communication and medical relief in the rural areas and to allot a definite amount annually for the above purposes for the next three years and to grant therefrom substantial additional aid to District Boards.

The debate took an interesting turn when member after member from the Government benches enlightened the Council with the activities of their departments. Nearly all heads of departments in the Transferred side spoke on the resolution.

Sir Sam O'Donnell, the Finance Member, observed that their revenues increased very slowly. They were not suffering from lack of programme. He emphasised that co-ordination was necessary among the various nation-building departments. They were doing everything they could within their limited means. Unless and until the local bodies increased their resources, the Government would be able to do little.

After a full day's discussion the original resolution was carried. The Government did not challenge a division.

Sir C. Walsh's Attack on the Judiciary.

On the 29TH JANUARY there was an unexpected development during question time in the Council. Mr. C. Y. Chintamani drew the attention of the Government to the following sentence in the preface written by Sir Cecil Walsh, Acting Chief Justice of the High Court to a law book published from Allahabad :—"I have been shocked by the number of cases of deliberate raciality both in the provincial judicial service and at the bar." Mr. Chintamani wanted to know if the Government had taken any steps to protect the officers of the service and members of the bar from that vilification.

The Nawab of Chhattari, the Home Member, replied that the quotation should be read in its context. It was followed by the following sentence : "There are black sheep in every fold and there are rogues in every profession. They do not represent the bulk nor does their conduct discredit any one but themselves." That, the Home Member pointed out, made it clear that Sir Cecil's attack was not of a general nature. The preface to the book was not written in his official capacity. The Government, therefore, saw no necessity to take any action.

There was a volley of supplementary questions. Several members wanted to know if the Government would ask Sir Cecil to expunge the sentence from the next edition of the book and, failing that, if the Government would forward to-day's questions and answers to Sir Cecil.

The Nawab of Chhattari, in reply, said that the Government was not agreeable to adopt either procedure, because in their opinion, there was no occasion for the Government to take any notice of the matter.

An Adjournment Motion.

This reply was followed by a fresh crop of supplementary questions with the result that eventually Mr. Chintamani gave notice of a motion for adjournment of the House to discuss the unsatisfactory nature of the Government's reply.

Lala Sitaram ruled the motion in order and it was taken up for discussion at 4 in the afternoon.

In moving the adjournment, Mr. Chintamani remarked that the Home member's replies were deliberately provocative. What harm was there in Government agreeing to ask the author to expunge the sentence or at the worse to send the day's proceedings to Sir Cecil Walsh. Was he to understand that Government shared Sir Cecil's views in regard to the provincial judicial service. Deliberate raciality was a serious charge against Government servants and those officers certainly looked up to Government to protect them from such ungenerous attacks. There were 264 officers in the provincial judicial service and during the last six years not more than six officers were compulsorily made to resign on suspicion of having sold justice. Was that number shocking or did the author imply that there were more such corrupt men still in service. The sentence was a deliberate affront to the entire service.

Mr. Chintamani was supported by several Swarajist and Nationalist members who wanted to know if the Government would have been equally impassive had such an attack been made against the Indian Civil Service.

Opposition to the Motion.

Masru, Habibullah, Masudul Hasan and some other landholder members opposed the motion for adjournment and said that the issue before the House was not the conduct of Sir Cecil Walsh in writing the preface, but the attitude of the Home member in replying to certain questions. There was nothing to make a grievance of the Home member's replies and there was not much to find fault with Sir Cecil either. Sir Cecil's language

might have been strong, but he had condemned the black sheep alone and not the entire judicial service. It was the duty of the Government and also of the Council to protect and shield good, honest and upright men and not all and sundry including black sheep.

Kanwar Jagdish Prasad, the Education Secretary, said that the inner import of the sentences could not be judged without reference to the context. In another passage of the same paper, Sir Cecil had praised the Indian system of promotion of judicial officers from the lowest rank to the highest. That clearly indicated that he did not hold an ugly view of the entire subordinate judicial service. Had he shared that view, he would never advocate the system of promotion of such officers to highest offices of responsibility. Members who were loudly clamouring against the Government to-day for not shielding their subordinate officers had, on previous occasions, themselves stated in Council that corruption was rampant among the subordinate officials of the Government. The Education Secretary quoted the speeches of several members in previous debates to support this statement. The Council then adjourned.

Budget Estimates for 1927-28.

On the 4TH MARCH after disposal of some minor business, the Hon'ble Sir Sam O'Donnell, the Finance Member, presented the provincial budget for the year 1927-28.

According to the Finance Member's statement revenue and receipts inclusive of the opening balance in the budget year are expected to amount to Rs. 1,528 lakhs, whilst disbursements are estimated at Rs. 1,567 lakhs. There is, thus, after allowing for balance of Rs. 12 lakhs in famine insurance funds, a deficit of Rs. 29 lakhs. This estimate is of course independent of any remissions which the Government of India may make in provincial contribution. As, however, the Government of India has proposed to make a recurring remission of Rs. 99 lakhs and non-recurring remission of Rs. 52 lakhs, there is every hope that the deficit of Rs. 29 lakhs will not only be wiped out altogether, but there will be a closing balance of Rs. 112 lakhs. If, however, the Assembly turns down the proposal for remission, this Government would have to borrow a sum sufficient to cover deficit and to provide the closing balance.

Revised Estimates for 1926-27.

The budget of 1926-27 as originally presented to the Council provided for revenue amounting to Rs. 1,290 lakhs and receipts under debt heads amounting to Rs. 206 lakhs making with the opening balance as then estimated total receipts amounting to Rs. 1,576 lakhs. In expenditure side there was provision for expenditure amounting to Rs. 1,388 lakhs under revenue heads and Rs. 256 lakhs. The revised figures of 1926-27, however, differ materially from budget figures. In the first place, the opening balance of 1926-27 is 26 and three-fourth lakhs less than was anticipated when the budget for 1926-27 was prepared. Secondly, receipts during 1926-27 are better by Rs. 5 and half lakhs than the estimate and thirdly, disbursements during 1926-27 are 28 and half lakhs more than the estimates and in consequence the closing balance of 1926-27 originally estimated at Rs. 65 and half lakhs has been reduced to Rs. 15 and three-fourth lakhs.

The revenue for the year 1927-28 is estimated at Rs. 1,291 lakhs and receipts under debt heads at Rs. 230 and three-fourth lakhs. Together with the opening balance of Rs. 15 and three-fourth lakhs and total revenue and receipts for 1927-28 amount to nearly Rs. 1,528 lakhs. On expenditure side, provision has been made for expenditure of Rs. 1,294 and half lakhs under revenue heads and Rs. 263 lakhs under debt heads. In other words, the budget for 1927-28 as presented to-day is a deficit budget; but in case the Government of India's proposal for remission of provincial contribution is given effect to there will not only be no deficit but a substantial closing balance and the Government will present in April supplementary estimates aggregating Rs. 51 and half lakhs, of which 10 lakhs will be on account of reserved departments and Rs. 41 and half lakhs for transferred departments.

Provincial Debt Charges.

The Finance Member next made a detailed reference to the debt position of the province. Provincial debt charges were now nearly one-eighth of the total provincial expenditure. At the Reforms the Government took over two large debts; first, the old provincial loan account which amounted to 296 and two-third lakhs and the second the pre-reform irrigation debt of Rs. 1,219 and half lakhs. The latter debt represented capital cost of all canal systems in the province and is a type usually described as permanent, that is to say, repayable entirely at the option of the borrower. The province thus took over with the reforms a total debt of Rs. 1,516 lakhs. Up to the year 1927-28

inclusive it had incurred further debt to the extent of Rs. 1,900 lakhs making a total of Rs. 2,716 lakhs. The total interest and other charges on these debts in 1937-38 are Rs. 166 lakhs.

In closing his statement Sir Sam whose term of office will conclude in the budget year, made some observations by way of retrospect and forecast. During the last 4 years, he said, the financial position of the province was never free from anxiety. Nevertheless the period had not been one of stagnation. Since 1933 enrolment in primary schools had risen by about 30 per cent. In vernacular middle schools from 45,000 to 55,000, in secondary English schools from 52,000 to 62,000, in Intermediate Colleges from 2,100 to 2,400 whilst the number of post-intermediate students had increased from 2,200 to 2,800. There were now 98 technical institutions under Industries Department as against 87 in 1933 and the number of students was higher by nearly 88 per cent. In the Agricultural Department notable progress had been made in production and distribution of seeds, demonstration processes and extension of private farms. A health scheme had been introduced in 17 districts. Co-operative movements had received special attention of late and a number of measures for improvement would shortly be carried out. Provincial roads were being reconstituted on modern lines. Some work had been made to the local bodies for improvement of sanitation and water-works.

Voting on Budget Demands.

Ministers' Salaries Voted.

On the 11TH MARCH the first of the budget demands, the one under the head "General Administration" amounting to Rs. 1,07,89,448, was presented in the Council. As notice had been given of as many as nine motions for reduction of Ministers' salaries, there was a large attendance of members and the visitors' gallery was packed. Debate on the motion for omission of the demand in respect of Ministers' salaries lacked interest and as was observed in the course of the ruling from the chair it contained an element of unreason.

Pandit Govind Ballabh PANT, Swarajist leader and mover, made it abundantly clear that his motion had no direct concern with the personality or policy of the present Ministers. His protest was against the present constitutional defects. He wanted to end dyarchy in this province. He sincerely believed that his country would be served best by getting rid of all Ministers. Mr. Pant was supported by several Swarajists.

Rai Rajawari BALI, Education Minister, in reply, expressed his gratitude that Mr. Pant's attack was constitutional and not personal. To have Ministers or not to have them had become a historical problem in Indian politics. It had been discussed threadbare and was responsible for the origin of different political parties. The whole country was divided on it. It would serve no useful purpose to reiterate the arguments either in favour of or against dyarchy in this Council. He for one would be glad to see the end of dyarchy. He and his colleague as long as three years ago had expressed the same view in their minute before the Muddiman Committee. Indian opinion was all in favour of provincial autonomy. The reason that he and his colleagues continued to keep dyarchy living was that they did not believe in losing half the loaf in search of the whole one. Whatever defects dyarchy might have, it had to be admitted that since the reforms came into being there had been considerable advance in the departments under the control of the Ministers in this province at least. The Council had concrete proofs before them in the shape of reorganised universities, popularised district boards and in the progress made by the Departments of Industries and Agriculture. He would like to know what Bengal and Central Provinces had gained by getting rid of their Ministers. Not much apparently, since they had now retraced their steps and reconsidered their decision.

After some further debate the motion for omission of the provision for Ministers' salaries was lost without a division. The House then adjourned.

Reduction of Commissioners' Posts.

On the 13TH MARCH the Government sustained several defeats when the Council and concluded voting of the demand under the head "General

The biggest cut effected was in respect of provision for the Commissioners' establishment. Mr. G. B. Pant, Swarajist Leader, who proposed a reduction of Rs. 2 lakhs under this head, urged the abolition of all commissionerships or if that was not possible at least a considerable reduction in their number. The motion was opposed by two lawyers Mr. Chowdhury Nizamuddin and Mr. Masudul Hasan, on the ground that it

was impossible to do without the Commissioners who had a number of functions to perform in regard to rent and revenue suits, and also in regard to municipalities and district boards administration.

Sir Sam O'Donnell, in opposing the motion, pointed out that a considerable reduction in number would result in the jurisdiction of the remaining Commissioners becoming too large and too unwieldy. The motion for reduction was adopted by 42 votes against 30.

Secretarial Establishment.

Another substantial cut of Rs. 33,000 was also adopted by 50 votes against 43 on the motion of Mr. C. Y. Chintamani in respect of the item concerning Secretariat establishment. The mover and his supporters urged the abolition of appointments in the Department of the General Secretariat.

Along with Mr. Hafiz Hidayat Husain, Mr. Chintamani was also responsible for a token cut in respect of the Secretariat demand. This cut was effected in order to bring to the notice of the Government the desirability of having more Indians as Secretaries and Deputy Secretaries and also of the abolition of the post of the Chief Secretary.

Meeting Place of the Council.

Mr. Pant, Swarajist leader, moved for a nominal cut to express the desire of the House to have the Council meeting at Nainital. This motion was adopted without any serious opposition from any quarter. The total reduction effected by the Council in respect of the demand under the head "General Administration" amounts to Rs. 2,58,131. The rest of the demand was voted.

Discussion on Police Demand.

On the 14TH MARCH, the business before the Council was voting on Police demand. One of the passages to which objection was taken by the Council in the shape of a token motion for reduction expressed the grievance that the High Court seldom awarded the extreme penalty of law to persons found guilty of murder. In the course of the debate the Inspector-General said that he had no intention to attack the judiciary. He had only expressed his honest opinion. He admitted that the expression was unhappy and regretted having used it. Mr. Dodd expressed his regret for another passage in the annual report which ran as follows:—"And wild assertions of less responsible politicians regarding C. I. D. Factory of revolutionary crime was as baseless as they were stupid." Mr. Dodd denied that the passage had any bearing on the Council discussions. He was sorry that it was liable to be so interpreted. Both those token cuts were withdrawn by the respective movers at the suggestion of the President who hoped that in view of Mr. Dodd's replies, the matter should be allowed to drop.

Reduction of D. I. G's Posts.

A token cut was adopted in spite of the Government opposition with a view to reduce one of the four posts of Deputy Inspectors-General in the United Provinces. A motion for reduction of the C. I. D. demand by Rs. 25,000 was rejected by 48 votes to 35.

Protection to the Maharaja of Nabha.

Reference was then made supporting the motion for a token cut under the head C. I. D. by Thakur Manjit Singh that the Maharaja Sahab of Nabha, now a citizen of Lohia Dun, sent a petition to the district authorities of Dehra Dun that he was being subjected to a mysterious surveillance by certain unknown persons suspected to be the agents of his enemy, a well-known prince of the Punjab, it is said Patiala.

The Hon'ble the President:—Does the Hon'ble Member suggest who the persons shadowing His Highness actually are? Are you referring to Patiala?

Mr. Manjit Singh:—I only want to say that the persons are suspected to be the agents of his enemy. I cannot, however, say who they actually are. They may even be C. I. D. men of the Government for aught I know.

Thakur Manjit Singh then went in to say that the life and honour of His Highness, his wife, and children were in danger. He asked the district authorities to afford him necessary protection in his present condition of enforced helplessness but no action has so far been taken on the petition which has caused a sensation throughout the country. Thakur Manjit Singh said that it was the duty of the head of the Police Department in the province to make adequate and suitable provision for the protection of life and honour of His Highness. The House then adjourned.

On the 15TH MARCH discussion of the police demand in the budget for 1927-28 was resumed and concluded. The C. I. D. came in for a considerable amount of criticism

on a token motion for reduction. Several Swarajist members advised the Government to ask the C. I. D. to direct its attention to detection of crimes instead of wasting its energies on shadowing political workers and Swarajist members of the Council.

Pandit G. B. Pant, Swarajist leader, referred to the arrest of a number of Congressmen in connection with the Kahori conspiracy case and their subsequent release without trial. The Pandit wanted to know what steps the Government had taken against C. I. D. Officers who were responsible for these useless arrests. Another Swarajist member wanted to know what steps the C. I. D. had taken to apprehend persons who were said to be a menace to the life of the ex-Maharaja of Nabha and his family and about whom the Maharaja had made an application to the District Magistrate of Dehra Dun.

Mr. R. J. Dodd, Inspector-General of Police, opposing the motion, assured the members that nobody was being shadowed by the C. I. D. because of his political views or activities. He challenged the member to bring specific instances of such activity on the part of the C. I. D. to his notice. In regard to the ex-Maharaja of Nabha, there were no reasons to believe that there was any danger whatsoever to his life. The motion for reduction of C. I. D. demand was rejected by 42 votes to 39. All the motions for reduction of Police demand except two minor ones which were accepted by the Council were one after another rejected by the House by a large majority and most often without any division. There was an incident towards the close of to-day's meeting when there was a walk-out and subsequent walk-in by several members belonging to the Nationalist Party.

The Walk-out Episode.

Mr. C. Y. Chintamani, leader of the Nationalist Party, moved a token reduction and expressed his doubt if the province got 16 annas for every rupee spent on the Police Force. A curious characteristic of the U. P. Police he said was to refuse investigation in a large number of cases. In 1924 they refused investigation in 22,940 cases and in 1925 in 23,401 cases. The percentage of refusal was 20.6 and 20.2 respectively. The corresponding figures for 1924 was Madras 3.4, Bombay 1.3, Punjab 5.4, Burma 4.2, Behar 4.6 Assam 6 and C. P. 35.7. Again, in regard to recovery of stolen property U. P. had an average of 11.7 while All-India average was 14 in the year 1924.

Mr. Mukandilal, Deputy President, who was in the chair at this stage, remarked that the House has enough figures and it was time the speaker stated the facts. Mr. Chintamani replied he would only deal with the figures for once and leave the facts to other members and he proceeded to deal with further statistics. Mr. Mukandilal intervened again and remarked that the speaker had been quoting figures for the last 15 minutes and he would be allowed only 3 minutes to conclude his speech. There was a presidential ruling fixing the time limit of 15 minutes for every speech. Mr. Chintamani retorted that under no rules the President had any right to fix the time limit for this discussion.

The Deputy President again ruled that he would allow only 2 minutes more.

Mr. Chintamani said:—As a protest against this unauthorized ruling of yours, I shall stop my speech.

With these remarks Mr. Chintamani sat down and shortly afterwards left the Chamber followed by all Nationalist members. Later in the afternoon when Lala Biharam, President, came back to the chair, the matter was brought to his notice. He regretted that his Deputy had misunderstood a ruling of his and had under a misapprehension stifled the debate. The Chair, however, must be given some privilege and indulgence and must receive hearty co-operation from members. He hoped the unhappy episode would now end. Mr. Chintamani and his followers thereupon returned to the House but took no part in the debate.

The Council then adjourned until the 22nd March.

Voting on Irrigation Demand.

After one week's respite the U. P. Council reassembled on the 22ND MARCH to vote the budget demands. Attendance was poor and debates lacked both heat and interest. Towards the close of the day's meeting, Mr. Mukandilal, Deputy President, who at that hour occupied the chair, made a reference to the episode of the Nationalists' exodus from the Council on Tuesday last as a protest against his (Deputy President's) ruling about Mr. Chintamani's speech and the time limit. Mr. Mukandilal made it clear that his ruling was based on a misunderstanding for which he was sorry and he assured the House that he had not the slightest intention to stifle debate when he reminded Mr. Chintamani of the time limit.

The demand under discussion on this day was under the head expenditure of irrigation works charged to revenue which amounted to Rs. 64,45,000. By 31 votes to 29 the

motion for substantial reduction of the demand by Rs. 1 lakh was adopted by the Council in respect of the item concerning establishment charges.

Discussion of the demand was yet in progress when the Council adjourned for the day.

Constitutional Issue Raised.

On the 28RD MARCH the Council concluded the discussion of the irrigation demand. Attendance of non-official members was poor, but there was some heat in to-day's debate, more particularly once when Mr. Chintamani raised a constitutional issue whether or not irrigation should be a transferred subject and placed under the control of the Minister of Agriculture in order to facilitate co-ordination of work.

Sir Sam O'Donnell, Finance Member, expressed the view that the Provincial Council was not the proper forum for the discussion of a large constitutional issue, namely distribution of various subjects between the reserved and transferred sides of the Government. The Indian constitution was neither made nor amended by the Local Government but by Parliament. The best place for such discussions was the Assembly in India and the House of Commons elsewhere. Sir Sam's statement led Pandit N. Gupta to raise a point of order.

Rai Bahadur Lala Sitaram, President, doubted whether a constitutional matter of grave importance could be raised in connection with the budget demand in such a hasty manner and be voted upon without sufficient discussion. It was a matter of common knowledge that India as a whole demanded provincial autonomy, in other words, transfer of all departments to the control of Ministers. He would not say that a grave constitutional matter could not be discussed at all in connection with a particular demand; but such discussion must be particularly restricted or else it would give rise to side-tracking and constitutional discussion would recur with intolerable frequency in connection with each and every budget demand.

Mr. Chintamani's motion for a token reduction was carried without division.

Administration of Jails.

On the 24TH MARCH the Jail demand came up for discussion. The Nawab of Chhattari, Home Member, in moving for a grant of Rs. 24,18,040 under the head "Jails and Convict settlements" briefly reviewed the administration of the department during the current year. At the outset, he admitted that constructive criticisms in the Council on various occasions were responsible for a number of reforms in jail administration. He was, therefore, grateful to non-official members and welcomed their attacks. Revision of the Jail Manual which had been undertaken during the tenure of office of the Maharaja of Mahomedabad was very nearly complete and would soon be published. Sundays were now complete holidays in jails except for essential services and ten days holidays were given for important religious festivals during the year. In 1925 arrangements were made to purchase grain on wholesale basis with the result that the quality of grain had greatly improved. Oil mills of improved type had not been supplied and prisoners were not made to work for more than 14 days at a stretch on oil mills unless they volunteered to do so. Rules had been framed to provide special diet for prisoners to whom ordinary diet was found unsuitable. Arrangements had been made for better segregation of female prisoners in selected jails and for increased number of female warders. The Government had also decided to open vocational school in jails to impart training in carpentry, blacksmithy, weaving and dyeing. There was also a proposal to build a new Central Jail at Meerut. Health of prison population was excellent, mortality rate being almost the lowest in India.

Nearly 64 per cent of prisoners had gained in weight in 1925 whereas only about 8 per cent had lost in weight. The Government had a scheme for electrifying Agra and Maini Jail.

Nearly hundred motions for reduction of jail demand had been tabled, but most of the reductions proposed were of a token nature and were not pressed. There was a prolonged debate on the question of transportation of Bhangas (criminal tribes of Rohilkhand district) to Andamans. A number of non-official members protested against the present policy of transportation of Bhangas, but in the end motions for omission of the item concerning transfer of Bhangas to Andamans was negatived by 43 votes to 39.

Reforming Criminal Tribes.

There was another interesting debate on the motion for token reduction where the issue involved was that the task of reforming criminal tribes mostly composed of depressed class Hindus should be entrusted to Arya Samaj and other Hindu organisations and not to the Salvation Army. The motion was adopted without division.

Discussion on Jail Demand.

On the 25TH MARCH the Council concluded discussion of the Jail demand and also voted the demand under the head Public Works and Civil Works. Two token reductions were adopted to-day by the Council in respect of the Jail demand. On one motion the issue involved was the appointment of a jail commission to enquire into the complaints regarding diet and dress in prisons. The motion was adopted without division. Mr. Ehsar Ahmed, proposer of the other token reduction, wanted the Government to issue telegraphic instructions to all jails in the province to the effect that Muslim prisoners observing fast should not be given hard labour during the remaining twelve days of the Ramzan. The Government reply was sympathetic but the Government refused to issue telegraphic instructions. The reduction motion was adopted by 58 votes against 25.

Public Works Demand.

The Public Works demand was voted in its entirety. The Nationalist members moved for reduction of the provision in respect of additions and alterations to the three Government houses at Lucknow, Allahabad and Nainital, but their reduction motion was negatived by a large majority of votes and the demand voted *in toto*. In presenting the demand for Public Works, Nawab Yusuf, Minister in charge, stated that in view of the complexity and urgency of the problem of communications and transport in the province, the local Government had decided to continue their policy of road reconstruction on a wide scale at a total cost of about one crore and a half.

Education Minister's Speech.

On the 26TH MARCH Sir Samuel O'Donnell, Finance Member, informed the house that the current meeting of the Council would terminate with the disposal of supplementary estimates on the 2nd April and that the Council would meet next at Nainital.

Sir Samuel was unable to give the exact date or duration of the Nainital meeting. The principal business before the Council to-day was voting of the education demand amounting to Rs. 17,3,04,464. Notices had been given of over 200 motions for token and substantive reductions against the demand; but of them barely 40 were discussed to-day, the consideration of the rest being postponed till Monday. Hitherto not a single reduction motion was accepted by the House.

Bai Rajeswar Bai, Minister of Education, in presenting the demand reviewed the progress of education in the province during the current year. At the outset he regretted that this year's demand under education did not compare very favourably with that of the previous year. The budget was framed in January when the Government was face to face with a huge deficit. Allotment for new items of expenditure in the budget for all Transferred departments amounted in the aggregate to five lakhs of which half a lakh was earmarked for the Education department. Half a lakh was a disappointing figure, but if the remission of contribution promised by the Government of India materialised Rs. 20 lakhs more would be allotted to the Education department on 2nd April when supplementary estimates would be presented. Figures of educational expenditure in the U. P. since the reforms presented interesting reading. In 1920 it stood at one crore and nine lakhs. In 1921 it went up to one crore and 54 lakhs. In 1922 it dropped to one crore 32 lakhs. In 1923 it went up again to one crore 52 lakhs and one crore 54 lakhs in 1924. Besides these amounts spent from the provincial exchequer there were also private endowments and donations aggregating over one crore. These figures, the Minister pointed out, showed that since the reforms there had been some expansion in regard to education at least.

University Education.

Referring to the criticism that there was growing expenditure on University education to the detriment of primary education, the Minister agreed that primary education was of first importance, but at the same time it could not be ignored that University education played a great part in the development of the nation. It was said that Universities in the U. P. had failed to grow into centres of creative thought. To such critics the Minister would point out the recent selection of Dr. M. N. Shaha of Allahabad as a Fellow of the Royal Society. An important event of the current year, the Minister proceeded, was the creation of the Agra University. This 5th University in the province was bound to open new spheres of educational activity. Mr. K. P. Kishin, Deputy Director of Education, has been appointed special officer to bring the University into existence so that the first examinations could be held in 1928. Referring to the policy of high school and intermediate education inaugurated in 1921, the Minister said that it had come in for severe criticism, but the Government was decided upon giving it a fair trial before

making any radical alterations. In his opinion all Ministers had to build up sound traditions of administration in Transferred departments and they should work against rapid changes of policy from one Minister by his successor and against excessive individualism. Regarding the need of imparting physical training to the students, the Government were tackling the question in two ways, one of which was the introduction of a new scheme of medical inspection as an experimental measure in cities.

Primary Education.

Coming to primary education, the Minister said that it had been made compulsory in altogether 25 municipalities. The committee which had been appointed to enquire into the progress of primary education among Muslimes and other backward communities had lately submitted its report which was under the consideration of the Government. In concluding his speech, the Minister referred to the Marris College of Hindustani music which has made good progress since it was started last year. The college filled all obvious blank in the present education system. The idea of a picture gallery at Lucknow still remained to be translated into action.

Voting of Education Demand.

On the 26TH MARCH the education demand of Rs. 1,79,04,464, less Rs. 1 for which amount a reduction motion was adopted was voted by the Council. The issue involved in the token reduction was the question of grant to Benares and Aligarh universities from the provincial exchequer. Non-official opinion was solidly in favour of substantial grant to those two institutions but Sir Samuel O'Donnell on behalf of the Government stated that the two all-India universities were primarily the concern of the Government of India and not of the provincial Government. This Government could provide for grants to them only after it had discharged its financial responsibilities to all provincial subjects. After a prolonged debate the token motion was adopted without division.

A Heated Debate.

There was a heated debate on Pandit G. B. Pant's motion for substantial reduction in the provision for Roorkes College of Engineering. Among other things, Pandit Pant urged reduction in and Indianisation of the personnel of the college staff.

Mr. C. Y. Chintamani, ex-Minister, supported the motion. This support was the immediate cause of heat in the debate.

Kunwar Jagdish Prasad, Education Secretary, quoted some facts and figures and said that Mr. Chintamani while in office did little either to reduce the staff or to Indianise it. Once out of office he was criticising his successor for not doing what he himself when in power never cared to do. The Education Secretary in his turn was subjected to a violent attack by Pandit Iqbal Narayan Gurtu for having taken up that particular line of argument. Mr. Gurtu blamed the Education Secretary of foul play, lack of discipline and judgment for his attack on his former chief, Mr. Chintamani, who could not possibly take any further part in the debate and was therefore debarred from the right of reply. Mr. Gurtu in connection wanted to know whether the Ministers after they vacated the office should not be immune from criticisms of the Secretaries who had worked under them.

Rai Rajewar Ball, Minister of Education, was sorry that owing to some misunderstanding between Mr. Chintamani and the Education Secretary some unpleasantness had been created. Heat in the debate was not due to any difference of opinion in regard to the question of policy, but solely due to regrettable personal misunderstanding. He earnestly hoped that the personal affair would be allowed to rest where it was and not poisoned further.

The motion was rejected by 53 votes against 42.

European Education.

Pandit G. B. Pant also criticised the grant to European schools. He said that on the basis of population Government spent nearly 100 times more on European education than on the education of the people of the land.

Mr. A. H. Mackenzie pointed out that there was not a single European school maintained solely by the Government. All European schools in the province were aided institutions and the basis of aid was the same as in the case of Indian schools. The amount of grant was equal to and in the case of European schools was less than the amount raised from private sources. The endeavour of the European community as a whole on behalf of education was great. There were generous donations and also voluntary work from missionaries. If the proportionate expenditure per head was great it was because of the smallness in the number of scholars in European schools.

The Government never showed any partiality to European schools in the matter of grants-in-aid. The motion was not voted upon when the guillotine was applied and the Council adjourned.

Discussion on Land Revenue.

On the 29TH MARCH the Council reassembled to discuss the Land Revenue demand amounting to Rs. 88,82,718. The agenda contained nearly a hundred motions for reduction of the demand but only seven of them could be disposed of to-day. The House divided three times in the course of the day and on every occasion the Government sustained defeat. The worst defeat was in connection with the Swarajist motion for omission of the item of Rs. 9,22,743 concerning survey and settlement. There was a prolonged and animated debate on the motion, the issue being the withdrawal by the Government of the Land Revenue Bill during its second reading at Mainital. The Government policy was severely criticised by a large number of non-official members. The motion for omission of the item was eventually adopted by 64 votes to 21.

All Demands Agreed To.

On the 30TH MARCH the Council concluded the voting on the budget demands. In the course of twelve days that were allotted for consideration of budget provision, the Council managed to discuss demands under seven out of thirty-two major heads. Of them, five, namely, general administration, land revenue, irrigation, police and jails were in the reserved group and only two, namely, education and public works, in the transferred group of subjects. All the undiscussed demands had not however an easy passage. When after the guillotine had been applied at 5 p.m. to-day they were put from the chair there were vigorous attempts to vote some of them out altogether. The first item that the Council would not readily agree to vote amounted to Rs. 18,96,000 and represented charges against the famine insurance fund. During the general discussion on the budget several members had protested against exploitation of the famine insurance fund for payment of irrigation interests. Apparently to record that protest very emphatically the Nationalist and Swarajist members shouted out "No" when the question was put in regard to this demand. The House divided on the question and the demand was eventually granted by 47 against 30 votes. The next attempt at total refusal was directed against provision for public works and other outlay not charged to revenue. The grievance of the Opposition as voiced during the general discussion was that Government should not utilise borrowed money either for construction of police buildings or for reconstruction of roads. The House divided when the question was put and voted the demand by 44 votes against 31. Mr. B. G. Pant, Swarajist leader, challenged the provision for expenditure in England and once again the House divided. The demand was voted by 42 against 33. There was yet another division when the demand under the head of account interest on debt was put before the House. In this instance, too, the Council agreed to grant provision, but voting was slightly different, figures being 43 for and 33 against. The Council then adjourned to meet again on the 2nd April.

Voting on Supplementary Grants.

On the 2ND APRIL the Council assembled to consider the demands for supplementary grants for the year 1927-28. The budget as originally presented provided for a deficit of nearly Rs. 40 lakhs but because of the remission of the provincial contribution not only has the deficit been completely wiped off but there is in fact a surplus of over one crore and twelve lakhs. Partially to utilise that surplus the Government presented to-day supplementary estimates aggregating nearly Rs. 52 lakhs of which nearly 48 lakhs are for transferred services and about Rs. 10 lakhs for reserved services. On the transferred section, education alone claims nearly Rs. 19 lakhs, agriculture about Rs. 7 lakhs, and industries a little over Rs. 2 lakhs. Notice had been received for as many as 515 motions to omit or reduce the amounts of demands for supplementary grants.

The Finance Member's Statement.

Immediately after question time Sir Samuel O'Donnell, Finance Member and Leader of the House, made the following statement:

"We had hoped that supplementary estimates would be disposed of in a single day. Judging from our past experience that was a reasonable anticipation. Yesterday we received motions for reduction and they total over five hundred. It is clear, therefore, that our anticipations were mistaken. Further we have reason to believe that it will be very inconvenient to many members to return after the Id holidays. Therefore, it has been decided that any supplementary estimates that we shall not finish to-day will stand over till the next meeting of the council which will be held in the month of June in Mainital.

H. E. The Governor's Message.

The President next read out the following message from H. E. Sir William Marris to the Legislative Council :—

"The Governor wishes to congratulate the members of the Legislative Council upon the termination of the present budget session for the consideration which it has given to the public business of the province during a session which, owing to the inconvenient occurrence of holidays, has involved greater demands than usual upon the time of the members. He is indebted to the Council for having provided the funds necessary to carry on the administration for the ensuing year and to place the provincial finances upon a satisfactory basis. For reasons stated by the Hon'ble the Finance Member it has been decided that any supplementary estimates which are not disposed of to-day shall stand over till the next meeting of the council which it is the Governor's intention to summon in Nainital in June. The Governor hopes that by the next budget session it may be possible for the Council to meet in comparative comfort in the new Council Chamber. The Governor declares that the Legislative Council is hereby prorogued with effect from the termination of this day's session until such further date as may in due course be announced".

Deputy-President's Salary.

Not much business could be transacted in to-day's meeting of the Council owing to unnecessarily prolonged debates on motions of minor importance. This was due to a grievance among the Swarajist and Nationalist members at the allotment of a single day for the consideration of the supplementary estimates totalling over half a crore. An additional cause of grievance was that unlike as in previous years no days had been fixed for non-official business during the budget session. After H. E. the Governor's message to the Council had been conveyed by the President, Sir Samuel O'Donnell, the Finance Member, presented the Bill to amend the U. P. Deputy-President's Salary Act. The object of the Bill was to obtain the sanction of the Council for certain concessions which might be made to him in respect of travelling allowances for journeys undertaken by him with the previous approval of the Local Government. Mr. Chittamanani moved an amendment substituting the word "President" for "Local Government." The amendment was adopted and the Bill as amended was passed.

Spinning in Jails.

The Council next proceeded to discuss supplementary estimates. The demand under the head 'Jails' was first taken up. There were several attempts from Swarajist and Nationalist benches to postpone the consideration of the supplementary estimates altogether but the President ruled all such motions out and the House proceeded to discuss the jail demand. The supplementary estimate under this head was brought to make provision for the establishment of vocational schools in central jails for instruction in handicrafts to suitable prisoners. A Swarajist Member moved a token out and wanted to know what kind of vocational training was going to be given to prisoners. More than twenty speeches followed in which various suggestions were made but the speakers mostly supported the scheme of the Government. The closure was at last applied by 84 votes against 42. The Home Member replying said that the subjects to be taught to the prisoners were weaving, dyeing, carpentry and blacksmithy. The Swarajists wanted to add spinning to the list of subjects. The House divided on this question with the result that Swarajists gained their point by 50 votes to 41.

Special Pay for Medical Officer.

Another motion for reduction of the jail demand was dismissed in the course of the day. The item concerned in the motion related to provision for special pay for a medical officer who had specialised in the treatment of tuberculosis to be placed in charge of Sultanpur Jail where tubercular prisoners were all segregated. The mover of the reduction objected to tubercular prisoners being kept at Sultanpur Jail and urged that they should be sent to Bhowali or Almorah. Numerous speeches in support followed the same line. The Hon. the Nawab of Chhattari, Home Member, pointed out that the provision in the budget was not for the establishment of a new prison for tubercular prisoners but to specially remunerate any medical officer who would be placed in charge of the existing jail. If funds were available the Government would readily consider the question of erecting a prison for such convicts in some healthy spot in the hills; but that was not the issue before the House. The motion for reduction was eventually put and rejected by 51 votes to 34 and the Council was prorogued. The remaining demands were taken up at Nainital in June next. (For Proceedings See Vol. II.)

The Punjab Legislative Council.

The third Reformed Punjab Legislative Council met on the 3RD JANUARY 1937 at the Council Chamber, Lahore, for swearing in of new elected and nominated members. Of 98 members more than 90 took oath one after the other and it took them three-quarters of an hour to do so. No other business was transacted and the Council adjourned till the next day when the election of the President took place. Khan Bahadur Choudhury Bahabuddin was declared duly elected President of the Council and Sardar Bata Singh as its Deputy President. The Council then adjourned sine die.

Three Ministers Appointed.

H. R. the Governor of the Punjab appointed the following as Ministers to administer the Transferred Departments in the Punjab:—Agriculture, Excise and Public Works—Sardar Jogendra Singh; Education and Industries—Mr. Manohar Lal; Local Self-Government, Medicine and Sanitation—Mr. Malik Ferozekhan Nun.

In the last two Councils there were only two Ministers, but this time the Governor appointed a third Minister. Thus all the three communities were represented in the Ministry, the Sikh, the Hindu and the Muslim. Sardar Jogendra Singh was re-appointed, and Mr. Manohar Lal was appointed in place of Rai Sahib Chaudhri Chhoturam, Education Minister, who was not re-appointed. The third portfolio was created for a Muslim Minister and Malik Ferozekhan Nun was appointed to hold the charge of this portfolio.

There was a strong agitation amongst the Punjab Mussalmans and in the local Muslim press during the last two weeks for the appointment of a Muslim Minister and this sentiment was voiced by the Muslim League at its recent session in Delhi. Mr. Malik Ferozekhan is a young Barrister practising in the Lahore High Court and had been thrice elected to the Reformed Punjab Council. Mr. Manohar Lal was a member of the first Reformed Punjab Council when he was its Deputy President.

The Governor's Opening Address.

The next meeting of the Council took place on the 28TH FEBRUARY when His Excellency the Governor of the Punjab addressed the members of the Council. His Excellency, after welcoming the members, referred to the changes in the people's minds brought about by the Reforms scheme and the influence that the new Councils had exerted on the public and the general course of administration.

Explaining his motive in appointing a third Minister, he said that he had found in the history of the Punjab Council many of the beginnings of genuine party spirit, but definite formation on party lines had constantly been obscured by the influence of other issues, at one time by the after results of the non-co-operation or the Khilafat movement, at another by agitation among the Sikhs and so forth.

Continuing His Excellency said: "It was because I felt that though there were beginnings of party life in the Council, the divisions had, nevertheless, not crystallised finally on party lines that I took last December the course of adding a third Minister to the Punjab. I believed that in the present state of things when the Punjab was still feeling its way to definite party system it would be a real advantage to have as early as possible all the main elements represented in the Government." Proceeding, the Governor said:—"My hope was to secure for the Punjab at so interesting and active a period of its development a Ministry constituted on such basis that no important section could complain that its interests were likely to be disregarded and lastly I hoped that by widening somewhat the basis of administration I should make some contribution towards the stilling of communal difference, at all events in the political sphere. The present session will show how far I have correctly assumed that there exists in this Council a genuine desire to unite in promoting ordered and harmonious progress in the province, a desire strong enough to induce various sections to abate something of their mutual differences in order to secure the greater good of the whole. It is no mean ideal, yet it is not one which in truth asks of any man to make an unreasonable sacrifice.

Referring to other problems of administration, the Governor said in respect of crime the province was returning to the normal, but communal differences were still being deliberately exploited and fomented. There seemed to be one clear feature of the present situation. Communal feeling nowhere reached a real state of tension and nowhere

manifested itself in any dangerous form unless there had been keen activity in the communal press or on those disreputable platforms where this form of excitement was conveyed to the public. "It is a distressing feature of affairs to-day" said the Governor, "that ordinary men of each community were not allowed to live at peace and find their own adjustments. Mischief comes from above and not from below. I cannot judge of the truth of the rebuke sometimes brought against the Punjab that it supports the worst communal press in India; but I should pity any other province which could show as many examples of indecent virulence. Of all infernos which the imagination of mankind has painted, surely the deepest and the most dreadful hell must be reserved for those whose only claim to consideration on the day of judgment will lie in the plea that they have damned the faith of others. We have warned and we have prosecuted; we have made direct attempts at conciliation; but this is a matter in which one well directed movement of public opinion would far outweigh any effort which the Government can make or any effect which it can produce. In all sincerity, I ask for the assistance here of members of this Council and for the exercise of the influence which they command outside its walls".

In conclusion His Excellency hoped the members of the Council will realise that the life of the Council had reached one of those critical stages which in ancient medicine would have been called climacteric; for it is the work of this Council which would come under the direct observation and view of the Statutory Commission.

No-confidence Motion.

Dr. Mahomed Alam, Leader of the Nationalist Party, then moved a resolution expressing want of confidence in the three Ministers in charge of the Transferred departments of the Punjab Government. Before the mover had made his speech and the motion was discussed in the House, the President requested the members who were in favour of leave being granted to stand in their places. As less than 80 members stood up in favour of the motion, leave was not granted to discuss the resolution. Only 24 members supported the discussion of the motion and the announcement by the President that leave had not been granted by the Council was received amidst cheers of Ministerialists.

The Budget for 1927-28.

Sir Geoffrey De Montmorency, Finance Member, then presented the budget estimates of the Punjab for the year 1927-28. When Sir Geoffrey concluded his speech he was greeted with cheers from all sides of the House.

According to budget estimates the balance of all accounts at the close of 1927-28 is expected to be Rs. 48 lakhs. Rs. 1,178 lakhs of ordinary revenue expenditure and Rs. 253 lakhs of capital expenditure will be met during the year. Ordinary revenues account and insurance fund accounts will show plus balances of Rs. 21 and 41 lakhs respectively at the close of the year. Latter balance includes the appropriation of Rs. 15 lakhs out of revenue to the revenue reserve fund which will stand at Rs. 86 lakhs on 1st April 1927.

Receipts.

In ordinary revenue account receipts are estimated at Rs. 1,118 lakhs or 86 lakhs less than the original estimates of 1926-27. Decrease is due to the remission of Rs. 17 lakhs in taxation announced in June last, an increase of Rs. 14 and half lakhs in irrigation, working charges and a fall under excise of Rs. 4 and half lakhs. Allowance has also been made for expected contraction in the area under cotton on account of fall in prices. Ordinary revenue expenditure is estimated to be Rs. 1,178 lakhs or Rs. 10 lakhs in excess of modified grant of the present year. Chief increases are Rs. 5 and half lakhs under Civil administration, Rs. 7 lakhs in beneficent departments and 12 lakhs in P. W. D. Substantial portion of increase is to be devoted to improvements in the administration of jails, agriculture, education, industries, provincialisation of hospitals and communications.

Expenditure.

Steady progress in the development of nation-building activities generally is provided for under capital expenditure. The main objects of estimated expenditure of Rs. 253 lakhs are Hydro-electric Scheme, Sutlej valley irrigation project and communications in Mili Bar. It is hoped to finance the year's programme mainly from the proceeds of the past and future sales of Government lands though ordinary revenue account shows a balance at the close of the year. The rate of increase in expenditure has recently been greater than the rate of increase in income.

In presenting the budget, the Finance Member pointed out that though irrigation scheme promised sure additions to the permanent revenue within a few years, yet mean-

while prudence demanded that the growth of spending activity shall not outrun the limits set by the rate at which resources expand. No remissions of taxation are proposed for the purpose of financing the capital projects. A small loan of about Rs. 50 lakhs may have to be taken from the Government of India towards the close of the year 1927-28. The Council then adjourned till the 5th March.

Voting on Budget Demands.

Provision For Beggars.

On the 5th and 6th March the Council devoted its whole time to the discussion of the Budget. Voting on Budget demands commenced on the 6TH MARCH when the Government's demands for grants came up for discussion and the first thirteen demands from demand No. 22 to demand No. 30 were voted without any discussion. Demand No. 19 moved by the Finance Member in respect of miscellaneous departments (reserved) raised a short discussion owing to amendment moved by Mr. Chaudhri Afzal Haq for a cut of one rupee with respect to item of Rs. 6,000, the total donation for charitable purposes to discuss the policy of Government regarding provision made for beggars, poor vagrants, indigent and old persons. The amendment was supported by a large number of non-official members, all of whom urged the Government to open poor houses and make some provision for Indian beggars, vagrants and old persons and introduce some sort of legislation to stop beggary in public streets. The Finance Member who expressed sympathy with the mover of the amendment said that the matter was primarily for local bodies to deal with and Government did not like to force on local bodies measures which they were not prepared to undertake. The mover, however, pressed his amendment to vote which was carried and which amounted to a vote of censure on Government. The demand was then passed with this nominal cut.

Development of Industries.

The next demand No. 18 moved by Mr. Manohar Lal, Education and Industries Minister, for a grant of Rs. 1,00,81,000 in respect of industries (revenue and capital) evoked a likely and animated debate and after a minor amendment had been moved by Mr. Chaudhri Afzal Haq and withdrawn, discussion continued for more than one hour on the motion in which members from all sides of the House took part. All non-official members strongly criticised the small amount provided for industries and attacked Government for their apathy towards promotion and development of industries in the Punjab. Lala Dhanpatrai (Industries constituency representative) characterised the action of the Government in appointing a Development Board without sufficient provision of money as a farce. Sheikh Mahomed Sadiq and Sardar Ujjal Singh suggested to the Government to start factories which would provide work for the unemployed. Lala Boshraj (Uwarajist) urged for total rejection of the demand so that the Finance Department might provide more money for the development of industries next time. Raja Harindranath and Dr. Gokalchand Narang while deprecating the small amount provided for industries by the Finance Member asked the House not to throw out the demand but accept whatever they had got, and fight for more. Dr. Gokalchand said that Ministers had no hand in framing the budget and, therefore, they should not be punished for the fault of the Finance Department. He urged the house to reject the demands in respect of land revenue, stamps and general administration etc., when those demands would come up for vote so that the Government might note their feeling in the matter, but he asked the House not to reject totally the industries demand. The motion being put to vote was declared by the President, but oppositionists claiming division votes were taken and the total demand was passed by 47 votes against 22 amidst cheers of Ministerialists. The Council then adjourned.

Government's Co-operative Policy Criticised.

On the 9TH MARCH the Council devoted full four hours to the discussion and voting on Government demands for grants and after prolonged debates passed only two more demands No. 17 and 18 in respect of agriculture and medical and public health without any cut, though some members strongly criticised the working of the co-operative societies in the Punjab and pointed out to the Minister of Agriculture that this excellent movement was unfortunately manned by one class of people alone and was confined only to agriculturists. Medical and Public Health department also came in for a good deal of criticism at the hands of the members who urged for more adequate provision for dealing with epidemics and malaria, further promotion of veds and sanai systems of medicine and creation of more hospitals for villages. Lala Boshraj drew the

attention of the Government to corruption in the Medical department and suggested the appointment of a committee to enquire into the matter. Chaudhuri Dulichand urged for better protection of rural interests and suggested that only agriculturist doctors should be appointed in rural hospital and dispensaries. This suggestion evoked strong resentment from urban members who said no question of rural and urban should arise in the matter of medical treatment. Dr. Gopichand, speaking as a medical practitioner, requested the Minister of Public Health not to bring in the question of agriculturist or non-agriculturist in the Medical College and medical treatment and condemned the spirit of communalism which rural members were trying to introduce even in the medical profession.

The debate having taken a communal turn, the President had to intervene. He regretted that on every subject the Indian members brought in the question of rural and urban interests which he thought was very unfortunate and he informed the House that in future he would not allow such discussion and hoped the members would not compel him to exercise his right in disallowing communal discussions unless they were meant for a particular and specific purpose.

Education Grant.

The demand No. 15 for a grant of Rs. 1,44,05,000 in respect of education (transferred) was moved by Mr. Manoharlal, Minister of Education. Chaudhuri Afzal had moved an amendment for a cut of one rupee with respect to the item of Rs. 69,91,870 for primary education to discuss the Government's policy regarding compulsory primary education and the mover had not concluded his speech when the Council adjourned.

Representation in the Services.

On the 11TH MARCH Mr. Chaudhuri Afzal Haq resumed his speech on the amendment moved by Mr. Chaudhuri Jafarullah Khan yesterday proposing a cut of Rs. 1 from the total grant of Police to discuss the Provincial Police Committee's report. The speaker was quoting extracts from the report when the President asked members whether all of them have been supplied with a copy of the report. As all members did not possess a copy of the report, the President asked the Finance Member whether the Government could supply copies to members and as copies were not available at the amount, the President stopped discussion on the amendment and he put the demand under Police to vote which was declared lost. The Finance Member claiming division, the motion was declared carried by 38 to 10 votes.

The next demand under jails and convict settlements was then voted without much discussion after the amendment moved by Mr. Afzal Haq to suggest improvements in the department had been lost.

General Administration Demand.

The Finance Member then moved the demand under administration of justice. Rai Sahab Chaudhuri Chota Ram moved two amendments for a cut of one rupee to draw attention to paucity of agriculturists in the ranks of public prosecutors and in civil judicial service. Both amendments were withdrawn after a lengthy and lively debate which again took a communal turn and there were several requests to the President by Dr. Gopalchand Narang to disallow all communal discussions in the House according to his ruling given two days ago. The mover of the amendment made it a matter of great grievance that agriculturists in the Punjab who formed eighty per cent of the population and who contributed to Government major portion of the revenue and who gave their lives for the sake of the King and country during the War did not receive their due and proper share in civil judicial service and hoped that, when the future appointments are made by the High Court and other subordinate courts, special preference would be given to the claims of agriculturists.

Hindu non-official members, who opposed the amendment, pointed out that agriculturists as such without proper qualifications could not claim preference in public service, and the mover of the amendment, in the guise of demanding preference for agriculturists, was really advocating the cause of Mussalmans of the province who also formed a majority of the population.

The official point of view was explained by Mr. Craik, Secretary, who said he was the only member of the House who was a member of the Committee which led up to the resolution of 1919 referred to by the mover of the amendment. He thought no member could accuse him of lack of sympathy with Zamindars (agriculturists). He assured the House that it was always the practice of the Government when selecting recruits to various branches of public service to scrutinise their records, their educational qualifications with most anxious care and it was the desire of the Government to see that landed classes secured adequate representation in public services and in regard to nearly all

service. Definite proportions have been laid down by the Government and they were getting year by year increasing the number of recruits to various branches of public service from Zamindars. They should not ignore that there were other classes who at present led the way in education and intellectual attainments.

Proceeding, Mr. Craik said it was not fair to keep out men of outstanding educational merits merely because they did not belong to certain tribes and in these days of higher standard of qualifications for public services, it was not fair to take a Zamindar with inferior education merely because he was a Zamindar. Subject to these reservations, the Government was faithfully endeavouring to follow and give effect to the policy laid down in 1919. The Government admitted that progress made in the last few years had not been so rapid as they as well as the mover of the amendment would have liked, but the Finance Member had given an undertaking that the matter would be taken up in consultation with the High Court and in view of the undertaking, he hoped the mover would not press the amendment.

Shaikh Faiz Mahomed referred to the paucity of Mahomedan Judges in the High Court since 1919 and was discussing the question of the resignation of Sheikh Abdul Quadir, an ex-Judge of the Lahore High Court, and was mentioning that it was due to difference between Sir Shadill Lal, Chief Justice and Sheikh Abdul Quadir that the latter was forced to resign his judgeship when Sir Geoffrey de Montmorency rose to a point of order and asked the President's ruling whether the member could discuss the conduct of a Judge of the High Court in the Council. After short discussion on the standing order on the point, the President said if the Member referred to any Judge even in his administrative capacity and meant to reflect upon him he ought to withdraw his remark. Quoting Parliamentary practice on the subject, he said no reflections or disrespectful mention of any kind should be made in respect of any Judge of any High Court and no member should introduce the personality of any Judge of any High Court or even of subordinate courts in discussion on the floor of the House. Only administrative actions of collective body of the High Court, if absolutely necessary, might be introduced and if possible references to that also might be avoided. Sheikh Faiz Mahomed withdrew his remarks and references to Sir Shadill and Judges of the High Court and apologized to the House for making any such reference.

The Demand under administration of justice was then put and carried.

Transferred Department Demand.

Sardar Jogendra Singh then moved demand under General Administration (transferred). There were ten amendments for cuts by non-official members under this demand to reduce salary of Ministers, to discuss the arbitrary manner of appointment of Ministers and to discuss unconstitutional acceptance of Ministership. The President ruled out four of these amendments remarking that under Parliamentary practice the members could not discuss the action of the Governor about the selection of a Minister. Before other amendments urging reduction of Minister's salary could be moved, the Council adjourned.

Debate on Ministers' Salaries.

On the 14TH MARCH the public galleries were crowded when the Council reassembled and resumed discussion on the Government's demand for grant relating to General Administration (transferred).

Dr. Shaik Mahomed Alam moved that the grant be reduced by Rs. 72,000 with respect to the item of Rs. 1,80,000, the total pay of officers urging a reduction in the salary of the Ministers from Rs. 5,000 to Rs. 3,000 each per annum. In the course of a lengthy speech in Urdu, Dr. Alam said if the Ministers agreed to take a reduced salary they would be more honoured by the elected element of the House than would be the case if they continued to draw Rs. 5,000 a month. The financial condition of the province did not allow the provision of such a big sum for the salary of the Ministers. Out of the reduction proposed, a considerable amount could be spent on charities and other needs of the province. He could not understand why a sum of Rs. 15,000 instead of Rs. 10,000 was being asked from the House when nothing extraordinary has happened to the province and no new departments have been created for the Ministers. If the House sanctioned an additional sum of Rs. 5,000 to-day for the Third Minister, they would be asked some time later to provide for four, five and ten more Ministers. On principle he objected that the best of their members should be taken away from the treasury benches on fat salaries from elected seats where they could be of use and service to the country and the people.

Raisada Hansraj supported the amendment and reminded the House that when discussing the budget he had appealed to the Ministers to voluntarily take a less salary

than Rs. 5,000 as has been done by the late Sir Surenchranth Banerjee and some other ministers in other provinces in India; but he was sorry to find that it had produced no effect on their Ministers. He could not understand why the Ministers should take a higher salary than the High Court Judges who were drawing Rs. 4,000 per annum and hoped they would not care more for money than for service of the country.

Sir Geoffrey D. Montmorancy, Finance Member, explaining the reasons of the provision of salaries of the ministers as it stood in the budget, said in the Punjab the maximum salary had been fixed by the statute at Rs. 6,000 and that once the Legislative Council had voted a smaller salary for the Minister that salary could not be raised. Moreover, he thought it would be very undesirable and invidious that a Minister should receive a smaller salary than a member of the Executive Council. It would at once give rise to the impression that the charge of the transferred departments was less important than the reserved departments. In the Punjab, a greater part of the new money went to the transferred departments which were rapidly expanding. It was on these departments that interested criticism and suggestions, both inside and outside the Council, took place. It would, therefore, seem undesirable to take any step which should belittle the grave importance of the beneficent and nation-building departments.

Continuing, the Finance Member said if a smaller salary was voted for the Ministers men of good stamp would hesitate to accept the posts and he thought everybody recognised that men of good stamp were required to take charge of these very important departments. Looking back at the history of the Council, they found that the classes of persons from which their Ministers had been drawn were persons interested in commerce and industry owning and managing large estates and engaged in the legal profession. To all these three classes of persons, the Ministry involved severing of personal touch and discretion and loss for three years in those sources which they would have been otherwise personally managing. People of good stamp in a good many cases may be patriots. Nevertheless, they had duties towards their dependents and families and they could not seriously afford to jeopardise those interests by neglecting their business and occupying themselves in public duties unless a fitting remuneration was paid for those public duties. The result of lowering the salary might be that for A-1 Class of men they would get C-3 Class of men. Moreover, even in days of financial stringency they did not suggest reduction of salary of the Ministers and the Finance Member thought that in these days of comparative affluence, there seemed far less reasons, indeed hardly any reasons, to take the step of reducing the salaries of the Ministers.

After 8 hours' animated debate the amendment was put to the House and rejected, the supporters not claiming a division. The demand under General Administration (transferred) was then put and carried. The Council then adjourned.

Exemption of Sword from Arms Act.

On the 15TH MARCH three more demands were voted in the Council without much discussion and proceedings were more or less dull compared to yesterday's animated debate. The demand under General Administration (reserved) was voted with a nominal out of one rupee which was proposed by Chaudhuri Afzal Haq to raise a discussion for the exemption of the sword from the operation of the Arms Act and carried in spite of official opposition.

Sir Fazl Hassan, speaking on the motion on behalf of the Government, informed the House that the sword had been exempted from the operations of the Arms Act for certain class of persons in the Punjab, namely, those who paid incometax or certain amount of land revenue and title-holders etc., and that the Government of India had been pleased to accept the recommendations of the Punjab Government on the resolution moved and adopted by the House some years ago; but the Government could not exempt the sword for all persons on account of unfortunate communal tension in the province and riots that broke out after the resolution on the subject was adopted in the House in 1924.

The Bhakra Dam Scheme.

Five motions for cuts were moved by various non-official members to reduce the grant under irrigation two of which were withdrawn, two ruled out of order by the President and one was rejected by 27 to 24 votes and the total demand was voted after a short discussion. Speaking on the amendment moved by Mr. Chaudhuri Chhotu Ram proposing a token cut to protest against the delay in pushing forward the Bhakra Dam scheme and that project, Mr. Smith, Chief Engineer, informed the House the reason why the Bhakra Dam scheme was delayed. He said that in the opinion of experts no suitable site for the dam was available which could benefit the districts of Bohtak and Hissar where distress owing to scarcity of water was acute and they could not build the

scheme on something that would eventually fail and be a source of great danger to the districts and before spending the taxpayers' money they wanted to be sure that they were going to build on something certain and which would be a benefit to the agriculturists of the districts. Speaking about the project Sir Fazil Husain, Revenue Member, informed the House that they were waiting for the decision of the Government of India and the sanction of the Secretary of State on the scheme submitted by them and that the Government did not show any lack of sympathy in the matter which was still being examined by experts.

The Council was discussing the demand under registration when it adjourned.

Debate on Excise Policy.

On the 16TH MARCH further demands for grants were discussed and voted. The demands under registration, forests, and stamps were voted without any cuts and much discussion but the demand under excise created considerable excitement and was not carried until division was called. The token cut proposed by Rai Sahib Chaudhri Chhoturam to denounce the present system of recruitment in the Excise Department which, according to him, resulted in very poor representation of Zamindars, particularly Hindu Zamindars, was eventually withdrawn by the mover after an assurance had been given by the Minister for Agriculture that everything possible is being done for proper representation of Zamindars in the department.

Sardar Narsin Singh then moved another token cut to discuss the excise policy of the Government and, in his speech, asked the Government to reach the goal of their policy, namely, total prohibition without delay even at the sacrifice of revenue. The amendment was warmly supported by a large number of non-official members all of whom urged the minimum consumption of liquor to be brought to zero and save the people from the drink evil. Those who opposed the amendment said it was excessive drinking which was a vice and total prohibition would never be a success and would result in increase of illicit distillation.

Sardar Jogendra Singh, Minister for Agriculture, expressed his sincere sympathy with the object of the mover and welcomed all suggestions which would prevent drinking in the provinces. High duties on liquors, he told, had been proposed by the Government to prevent excessive drinking and not to get high income. He pleaded for co-operation fully with the Government in eradicating the drink evil and illicit distillation. After assurances from the Minister, the mover wanted to withdraw his amendment but leave to withdraw was refused by the Council and the motion reducing the demand under excise by one rupee was put to the House and was carried by 37 to 34 votes.

The Council was discussing the demand under land revenue when it adjourned.

Remission Of Tax On Well-irrigated Lands.

On the 17TH MARCH discussion and voting on the Government's demands for grants were considered in the Council. Of 33 demands 31 had been disposed of up to yesterday evening and only the last demand under land revenue was discussed to-day and voted after the amendment moved by Rai Sahib Chaudhri Chhoturam proposing a cut of one rupee urging the Government to remit taxes on well-irrigated lands had been carried by 30 to 26 votes. Altogether six amendments proposing cuts under this demand were moved three of which were withdrawn, one ruled out of order and one was not moved at the request of the Revenue Member and the last one was carried reducing the grant to rupee one despite Government opposition.

On the total Government's demands for grants only four cuts in the form of token cuts were carried by the Council and the rest of the demands were voted in full. Four token cuts that were effected related to the demand under Education (Transferred) General Administration (Reserved), Excise and Land Revenue. The House then adjourned.

Release of Sikh Prisoners.

On the 21ST MARCH after 4 hours' lively debate the Council carried a non-official resolution moved by Sardar Kundan Singh recommending to the Government to forthwith release Sardar Kharak Singh, President, Central Board and all other Gurdwara prisoners. The Government did not claim a division. The resolution was warmly supported by the non-officials of all parties and appeals were made to the Government to close the chapter of the Sikh struggle for Gurdwara reform by showing magnanimity and releasing the Gurdwara prisoners especially when the Gurdwara Act was passed and the Gurdwara disputes were being disposed of by the Gurdwara tribunal, thus showing that the Sikhs had given up direct action and had taken recourse to constitutional methods and ordinary law of the land.

The Finance Member's Statement.

Speaking on the resolution regarding the release of the Sikh Gurdwara prisoners, Sir Geoffrey de Montmorency, Finance Member, said that he was fully aware how genuinely the sympathies of the Sikhs were engaged in the resolution and the Government knew full well the importance they attached to it. While sympathising with individual cases, no one could set aside the fact that the acts of these persons individually and in mass had certain more serious aspects. They were all apostles of direct action, Offences under the Civil law, which governed the rights of their fellow citizens have been committed by them, in addition to causing grave disturbances to public tranquillity. They have actually committed offences against persons and property involving in some cases violence in varying degrees. It was the earnest desire of the Government to ensure the working of the Gurdwara Act, to compose troubles and take all such measures as would remove rancour. The offer of the condition by the Government to the prisoners was made in a fair and just spirit and did not involve expression of regret by the prisoners for what had been done. It merely constituted a fair and just invitation to those who had been convicted to abandon direct action in future and to adopt those provisions of the law which had been passed by the Sikh community approved by other communities and even passed into law by this legislature. Those who did not elect to take advantage of the offer indicated that they had elected to pursue the old and bad way of direct action. They would no doubt like to emerge as martyrs in a cause and as persons of different calibre to those who had accepted the offer. Experience had shown them that general amnesties did not always have beneficial results as was supposed they would have. This was specially the case with the Sikhs. The release of Sikh prisoners in 1922 did not bring peace. Similar action in 1923 after the Gura-ka-bagh affair did not bring immediate improved relations. He admitted that the prestige of the Government would in no way suffer. Nevertheless, the question was whether this act of kindness in the general interests of the public was going to be an act of wise administration. In the present case they were dealing with men who still were unrepentant and who had a predilection for applying the doctrine of direct action and force as the sole solution of questions of civil rights. No Government would be justified in taking an easy-going view of such predilections or any glossing over such predilections by amnesties. The Government could not afford to be thought as ready lightly to condone breaches of the law which broke the civil rights of citizens. Even if the Government, in spite of these weighty considerations, had been inclined at the beginning of this year to consider this as a very special case, did they receive any encouragement in any Sikh quarter to do so? asked the Finance Member. Recent unbridled speeches and formation of jathas were signs that those unrepentant persons in favour of direct action would, if they emerged from jail, unfortunately still find elements among the Sikhs prepared to fall in with their views. For this reason, said the Finance Member, the Government must oppose the main object of the resolution. But so far as Sardar Kharak Singh personally was concerned, he said he had finished serving out his sentence of substantive imprisonment of 4 years in April last and was now serving sentences in continuation of the sentences under the Prisons Act which will expire about December next. He was sentenced three times for offences under the Prisons Act and has now served out the first of these sentences and was serving the second. The Governor in Council has decided to release him on the expiry of his second sentence and to remit his third sentence. He will accordingly be released about the beginning of June next.

Non-official Resolutions.

On the 22ND MARCH four non-official resolutions were discussed in the Council, two of which were withdrawn, one was carried and the last was talked out. When the Council reassembled, discussion continued on Chaudhri Afzal Haq's resolution recommending to the Government to take necessary steps to stop the institution of Honorary Magistrates within the period of the next three years. The resolution did not receive the full support of the House and though supported by a number of members, was strongly opposed by a majority who defended the institution of Honorary-Magistrates and said that they were doing a good deal of public service and should not be abolished.

Sir Geoffrey De Montmorency, speaking on behalf of the Government, said that abolition of this honorary agency which existed in the most democratic countries and was doing useful work, specially in small towns, would cost the Province about Rs. 9 and one-fourth lakhs. The Government was of opinion that the agency should be continued and new rules and instructions would be strictly enforced in future while making appointments. If at any future time strong, impartial, and honest Panchayats came into

being, the Government would re-examine the matter and might dispense with some of the Honorary Magistrates. The resolution was withdrawn.

The next resolution which was also moved by Chaudhri Afzal Haq recommended to the Government to take necessary steps to accommodate in the Panjab jails all political prisoners of this province including martial law prisoners who are serving their terms of imprisonment in the jails of other provinces. The resolution which was supported by a number of Sikh members did not excite any lively debate and the Finance Member made an important speech explaining the Government's position in the matter.

The Finance Member said so far as he had been able to discover, no martial law prisoners were confined in jails in other provinces. Some time ago, 9 martial law prisoners were confined in the penal settlement of the Andamans. He was quite willing to send for the rolls of these prisoners and to see how the case stood as regards these prisoners. There were, however, 85 convicts confined in jails in other provinces who were not martial law prisoners, but persons convicted of serious criminal conspiracies against the State and of offences against the Arms and the Navy. With one exception, these prisoners were convicted during the war and between the years 1918 and 1917. There was proof that the leaders of these conspiracies in some cases received assistance from sources outside India and were instigated in the foolish acts which they committed by these sources. Most of them were sentenced to transportation for life or transportation to 20 or 25 years. In the ordinary course, all of them would have been transported to the Andamans; but at that time the Government of India considered that in view of insecurity of the seas and the pressing need of the troops it would be unsafe to transport a number of such dangerous conspirators at that time to the Andamans. It was considered at the same time dangerous and undesirable to confine these dangerous conspirators in the Panjab jails. After discussion with the Panjab Government, therefore, it was finally decided that the gang should be split up and be incarcerated in jails in other provinces. This was accordingly done and the wisdom of this step became almost immediately apparent because of the very dangerous mutiny organised by a few of these prisoners in Hazaribagh jail. At present there were 85 of these convicts, of whom 84 were convicted in the circumstances above mentioned. They were confined in jails in other provinces in the following manner: 13 in Central Provinces, 14 in Bombay, 1 in Bihar, 7 in Madras and 1 in Burma. After giving the most careful consideration to these points, the Government have come to the conclusion that it would be highly undesirable to bring back at once the whole of these prisoners to the Panjab jails; but the Government have decided that owing to the change in the atmosphere, it may now be possible to consider the return to the Panjab jails of some of the convicts if carefully selected. The resolution being pressed by the mover was put and carried amidst non-official applause. The Council then adjourned.

Agriculture Minister's Statement.

On the 23RD MARCH the last sitting of the Council was held and after a number of demands for supplementary grants were voted and Sir Fazli Hussain had introduced the Panjab Land Revenue (Amendment) Bill the Council adjourned *sine die*.

Sirdar Jogendra Singh, Minister of Agriculture, made a lengthy statement to-day explaining the programme of work to be carried out during the coming years and the policy to be pursued by his department. The Minister was constantly interrupted and several points of order were raised by members while he was reading his speech. Members who raised the points of order wanted to know from the President whether a Minister could make a statement of the policy without allowing the Council to discuss it. The President informed the House that the Minister was reading a statement with the permission of the chair. Sardar Jogendra Singh describing his five years' programme said they would be opening in the present year 7 farms and 25 veterinary hospitals and had also been able to secure the services of a fruit expert. They were also studying the problem of lift irrigation and hoped as the result of investigations, they would be able to afford dry areas of the Punjab some facilities of organised irrigation. In his opinion, meat or milk was essential for proper nourishment and he was making arrangements for increasing milk supply and was trying to quicken up the pace of selected breeding of cows. He hoped to open two thousand more co-operative societies in the new year and thought there was great scope for capitalists to join together and to make money available both for agriculture and industry. Regarding the excise policy, he could not see the possibility of enforcing prohibition but for the next few years if they could make use of local option in cities and could organise temperance societies in villages and close down shops where conditions permitted, they would have done a good deal to pave the way for prohibition.

The C. P. Legislative Council.

The first sitting of the Third Reformed Legislative Council was held on the 8TH JANUARY 1926 in the noon in the Council Hall, Nagpur under the presidency of Mr. C. U. Wills. The business on the day was the election of five members to the Court of the University by non-official members of the Council. The election of the President was held on the 10th, when Sir S. M. Chitnavis was declared elected president by 47 votes against 30 votes secured by his rival Mr. G. S. Gupta. The house then adjourned after some minor transactions.

Governor's Address to Members.

On the 11TH JANUARY His Excellency the Governor entered the Council Chamber in procession and congratulated Sir Chitnavis heartily on his election as the President and the Council on having got him as their President. He said that Sir Chitnavis's family had played a notable part in the history of this city and province and of this Council. He said that it was a remarkable thing that one brother should succeed another in the high office to which Sir Sankara Rao had been called and wished him success during his tenure.

He, then addressing the Council, expressed satisfaction for filling up the blank left in the rules for working the new constitution by the just mode of election. He was anxious to have it settled as soon as possible whether they wished him to take action to restore the working of the constitution to the form intended by Parliament and in vogue in most of the other provinces. So long as the ban placed by their predecessors in this Council on the formation of a Ministry existed, he said he was not a free agent. He could not as in the provinces in which no ban existed proceed to give effect to what seemed to be the verdict of the constituencies without calling these together and taking their formal decision. He sympathised with the unsuccessful old members and congratulated the successful old and new members. As many as 31 old members have been re-elected and 24 are new ones.

He said that he had nominated the full number of eight officials permissible under the Act. This has been done partly to gain time to look around and see whether there are other interests deserving of representation or more representation in the Council, but mainly because he wanted to make more opportunities of bringing into touch with each other official and elected representatives of the people. Many of the misunderstandings which now occur are due to that lack of free intercourse on an equal footing which works in the legislatures. He said that he learned so much from mixing in the lobbies of the Legislative Assembly and the Council of State with those who would guide public opinion that he attached special importance to this training for as many officers of the Government as possible. He thought that there were few public men who would deny that they in the turn had derived benefit from similar intercourse with officials.

While addressing the Council in last March, he called upon them to sink racial, communal and sectional differences and join forces with his Government in the battle against ignorance, disease and poverty. Their Excellencies the Viceroy and Lady Irwin's visit to this province gave a remarkable stimulus to the development of this spirit. He remarked that where the atmosphere was wrong, no measures, however perfect in form and conception, would do much good. Where the atmosphere is right, even faulty measures are effective. He then referred to several improvements particularly for medical treatment of women and children. His Government has also been reviewing its jail policy and tackling the problem of released prisoners. His Government has at work the steam tackle for ploughing authorised by the last Council and is preparing a Bill to facilitate the consolidation of scattered holdings for the consideration of the Council. His Government has prepared materials for the reorganisation of the provincial services, but has postponed any decision until they shall have shown whether they wished the Governor in Council or their own Ministers to take the final responsibility with respect to what should be transferred departments.

Concluding his address, he said that the time had come to leave them to the discussion of the constitutional question they had been called together to decide. He said that on public and personal grounds, he wanted them to take part in the great scheme inaugurated by Parliament of developing self-governing institutions with a view to the

progressive realisation of responsible Government in British India as an integral part of the empire. He assured his help towards the realisation of that great conception. He had no prejudices as by now they must have realised about any person or any party in this Council. His sole desire is to act constitutionally to the best of his ability. He always held that to have any permanent value, the decision to have Ministers must be theirs and not his. It is for them to take or to refuse the opportunities offered to them.

Motion for Ministers' Salary Passed.

After the Governor had addressed the members, the Hon'ble Mr. Marten moved for the supplementary demand amounting to Rs. 9,000 on account of salaries of two Ministers for one month and Rs. 1,000 for travelling allowance.

Mr. Gole opposed the motion and proposed a cut of Rs. 8,996 thus fixing the salaries of the Ministers at Rs. 4 only. Rao Bahadur N. K. Kelkar supported Mr. Gole.

Mr. Raghavendra Rao, on behalf of the Nationalist Party, supported the supplementary demand stating that his constituency has given the verdict for working the reforms. Mr. Dick supported the motion for the supplementary demand.

Dr. Khare opposing the motion asserted that there were many inconsistencies in the utterances of the members who were in favour of supporting the Ministers' salaries and working the reforms. He further said that the heavens would not fall if they waited for a month and a half.

Khan Bahadur Gulam Mohideen severely criticised the Responsive Co-operation Party and the newly formed Nationalist Party. He said that they were for working the reforms and would vote for the supplementary demand; but they did not approve of the personnel for the offices of Ministers.

Mr. Ghanashyam Gupta, on behalf of the Congress Party, opposed the motion, stating that the pledges of the Responsive Co-operation Party or the Independent Party did not allow them to accept offices. He then appealed to all Congressmen to protect the prestige of the Congress.

Mr. Umesh Dutt Phatak said that he was for opposition, but on hearing the speeches of the Congress Party he came to the decision to support the supplementary demand.

Mr. Kedar said that the Ministers' posts were not in the gift of the Government. If backed by the majority party, they will have the privilege of suggesting persons for ministerialships.

Mr. Mahomed Sharif Hussain said that the formation of the ministry at this stage was a mere show and that it could not be a stable ministry.

The motion for the supplementary demand was carried, 55 voting for the demand and 16 against it.

Voting on other Demands.

The second supplementary demand amounting to Rs. 3,25,000 for advances to cultivators under the Agriculturists Loan Act and the third demand amounting to Rs. 75,000 for advance to cultivators under the Land Impregment Loans Act were accepted by the Council without any debate and the Council then adjourned.

On the 12TH JANUARY the Hon'ble Mr. Marten read a statement on behalf of the Government announcing the appointment of Mr. Raghavendra Rao of Bilaspur and Mr. Ramroo Deshmukh of Amraoti as Ministers. Mr. Khaparde, Responsivist, was declared as Deputy President and the Council then adjourned.

Budget Estimates for 1927-28.

The Council next met for its Budget Session on the 3RD MARCH with the Hon'ble Sir Shankarra Rao Chitnavis in the chair. The visitors' galleries were sparsely attended. For the first time during the last three and half years, the two Ministers, Messrs. R. Raghavendra Rao and R. M. Deshmukh sat in the Treasury bench. The Hon'ble Mr. Raghavendra Rao was dressed in white khaddar and wore a Gandhi cap.

The Hon. Mr. J. T. Marten, Finance Member, in presenting the Budget for 1927-28, said that last year he ended his speech on note of hope preceded by a note of warning. The circumstances of the year had shown that the warning was necessary though the year had proved less favourable than they hoped. There was no cause for alarm but with a right understanding of the situation they had substantial grounds for guarded optimism owing to unfavourable conditions of the year which resulted in the fall in prices of cotton and the effect on the money market of that fall, land revenue had to be suspended in Berar and Nagpur Divisions. The decrease in the spending capacity of the people had reacted on other heads of revenue. Instead of a deficit of about Rs. 25 lakhs as originally estimated, the revised estimates showed a deficit of over Rs. 60 lakhs and

the balance had, therefore, been reduced by that much. The free opening balance which stood at Rs. 78 lakhs in the beginning of the current year was now down to under Rs. 5 lakhs.

Estimates for 1927-28.

Turning to the Budget for 1927-28, Hon. Mr. Marten said that they had budgetted for revenue of about Rs. 563 lakhs and expenditure of 593 lakhs which resulted in a deficit in revenue account of Rs. 30 lakhs. A sum of Rs. 55 lakhs would be borrowed from the Government of India to meet certain items of capital expenditure which had been met in the past from the provincial balance and thus add a corresponding amount to the balances. This will give a free closing balance of Rs. 18 and half lakhs. The actual balance in Famine Insurance Fund at the end of the next year is estimated at over Rs. 2 crores. For the coming year Rs. 33 and half lakhs have been allotted for new expenditure, bulk being non-recurring of which about Rs. 6 and half lakhs will be on the reserved side and about Rs. 27 lakhs on the transferred side.

After pointing out that the proportion of expenditure on transferred side had steadily increased, Hon. Mr. Marten said that the excess of fluid assets over liabilities which was estimated at Rs. 136 lakhs at the end of the Budget year to Rs. 51 lakhs. The Finance Member referred to the welcome news of the announcement in the Assembly regarding the remission of provincial contributions in part permanently and concluded: "We shall have exhausted our previously accumulated balances in useful expenditure mostly in the transferred and nation-building departments while at the same time steadily building up our Famine Insurance Reserve. Presuming that the receipts from land revenues, excise, stamps and forests keep steady, we can hope for a slight excess of income over ordinary expenditure. But our hopes of expansion in the near future lie chiefly in the prospect of the abolition of the provincial contribution and the completion of Famine Insurance Fund. Meanwhile, our prospects have been brightened in the last few days by the hope of an immediate relief from the provincial contribution. An addition of Rs. 23 lakhs to our resources will enable us as soon as we have recovered from our temporary embarrassments to proceed with our nation-building schemes and the province will watch with the greatest interest the fate of the proposals in the Government of India's Budget which are of such tremendous importance to our progress and development."

Official Bills.

After the budget was presented, Government legislative business was taken up. The Hon. Mr. Tambe moved a bill to amend the Central Provinces Courts Act 1917 in order to increase the Small Cause Court jurisdiction as suggested by the Civil Justice Committee.

Mr. D. K. Mehta moved that the bill be circulated for eliciting opinion thereon and the motion was carried.

The Hon. Mr. Baghavendra Rao moved a bill to amend the C. P. Excise Act in order to extend the prohibition of cultivation of Cocoa plant in all its varieties. The mover said that the bill was being introduced at the instance of the Government of India. Leave was given for consideration of the bill at once; but the Hon. Mr. Rao promised to move its passage next day.

The Hon. Mr. Marten moved a bill to amend the C. P. Tenancy Act, but Rao Bahadur N. K. Kelkar proposed that it should be circulated. The motion for circulation was adopted.

The Hon. Mr. Tambe moved a bill to amend the Public Gambling Act with the object of checking Satti Gambling. The Council granted leave.

The Hon. Mr. Rao moved a bill to amend the C. P. Primary Education Act with the object of prescribing the period during which a child liable to compulsory education shall attend a primary school and to render it possible for local bodies to apply compulsion gradually and to enable children to enter upon a course of instruction.

Rao Bahadur Kelkar moved that the bill be referred to a select committee in order to see whether the draft could be improved.

Mr. B. H. Beckett, Director of Public Instruction, answered the objections of the previous speaker and pointed out that the bill introduced compulsion by stages and fixed a reasonable age. He asked the House to treat educational matters as non-party questions.

The Hon. Mr. Rao accepted the motion to refer the bill to a Select Committee and the House agreed.

The Hon. Mr. Deshmukh moved a bill to amend the village sanitation and Public Department Act with a view to allow panchayat to charge fees for the use of slaughter houses and to insist on their being used. The bill was referred to a Select Committee.

B. N. R. Strike.

The Council then took up the motion for adjournment moved by Mr. B. G. Khaparde in connection with the failure of the B. N. Railway to maintain an efficient goods and passenger traffic service, thus causing great inconvenience to the people of the province. Mr. Khaparde said that owing to the strike the Railway traffic was being worked by inexperienced men which led to the trains coming several hours late, and which may lead to accidents and loss of life. Mr. Khaparde hoped that the strike would soon end in favour of the workers and the public inconvenience would be stopped.

Mr. W. Fulay, nominated labour representative, supported the motion.

Mr. B. G. Pradhan, said that it was high time for the Government of India to see that they fulfilled their duty to the people of this province by interfering in and settling the strike in favour of the strikers. He asked the C. P. Government to move the Government of India to end the strike.

Mr. Bartlett opposed the discussion of the question as he thought that it would not help matters but would only raise hopes in the strikers and cause great disappointment.

Some members characterised as a great horror that ordinary goods clerks of the B. N. Railway were allowed to work as guards of the Railway trains and they pointed out that passenger trains should not be entrusted to such untrained hands.

Mr. H. C. Gowan in reply to the above charge, said that he was present in England during the general strike and though untrained men worked the essential services the number of accidents was extraordinarily small.

Dr. Khare asked that when an acute condition of distress prevailed in the province what had the Government done, what had the Minister of Industries done to ameliorate the condition of the strikers and to remove public inconvenience? Several non-official members also spoke in support of the motion.

The Hon. Mr. Marten, Finance Member, said that the Railways was a central subject and it was not possible for the local Government to do anything in the matter. They all felt the annoyance caused by the strike, but the local Government's functions were limited. The Government was in sympathy with those who were affected by the strike troubles, but it had no powers to interfere in the strike. Although a debate in the Council was beyond its purview, the Government allowed it with a view not to stifle discussion. The Hon. Mr. Marten promised to forward the proceedings of the debate to the Government of India.

The mover of the motion, Mr. Khaparde, accepted the force of the argument of the Finance Member that it did not lie in the hands of the local Government to end the strike. Mr. Khaparde said that if the motion was passed to division it would have been carried as support came from all sides of the House; but seeing the attitude of the Government he did not wish to press the motion. The motion was withdrawn and the Council adjourned for the day.

Transaction of Official Business.

On the 4TH MARCH the Hon. Mr. Raghavendra Rao moved that the C. P. Excise Amendment Bill be passed into law. The Council agreed unanimously.

The Hon. Mr. Raghavendra Rao moved that the C. P. Weights and Measures of Capacity Bill be referred to a Select Committee. The Council unanimously agreed.

The Hon. Mr. Rao farther moved that a bill to amend the C. P. Prevention of Adulteration Act be circulated for eliciting opinions thereon. The Council agreed.

The Hon. Mr. S. B. Tambe moved that the Central Provinces Borstal Bill be referred to a Select Committee. The object of the bill is to make provision for the detention and training of adolescent offenders. The Council agreed to this unanimously.

Budget Discussion.

General discussion of the budget was held from the 5th to 7th March. The non-official members emphasised that more money had not been provided for expenditure on nation-building departments. Bazar members criticised that remissions and suspensions of land revenue granted to agriculturists had not been adequate. Some members pointed out that more money should have been spent on primary and secondary education. Criticism was also made against payment of extravagant salaries to officers of the Imperial Services. Replying to the various criticisms the Hon. Mr. Raghavendra Rao defined the policy of the Minister. After a brief reply from the Hon. Mr. Marten, Finance member, the Council rose for the day.

Voting on Budget Demands.

On the 8TH MARCH the Council took up voting of demands for grants. There were over 550 motions to reduce or omit grants in the budget for the year 1927-28. The

demand under Land Revenue was taken up first and there were over 100 cuts under this head of which notices had been given. Most of the cuts relate to the expenditure on Survey and Settlement operations in various parts of the province.

Cuts Under Land Revenue Passed.

On the 9TH MARCH, the Council discussed the several items under the land revenue. (reserved). Cuts under different heads amounted to Rs. 39,42,700. The Nationalist Party and the Congress Party jointly voted for cuts. While demands under Excise (Transferred) were under discussion, the Council adjourned.

Debate on Excise Policy.

On the 10TH MARCH demand under excise transferred Rs. 15,52,950 was taken up. Dr. Khare moved a cut of Rs. 13,200 being the pay of distillery expert of Govt. The Hon'ble Mr. Raghavendra Rao, Minister for Excise, said that the present incumbent was due to retire in a few years and after his retirement the Government will consider the questions whether the post should be retained or not.

Dr. Khare passed his motion which was lost by 18 votes against 46. There were several other cuts under excise, but discussion developed into a debate on the excise policy of Government. Several Swarajists attacked the Minister and Dr. Khare called him Minister for consumption. They also pointed out that the credit for whatever fall there was in the consumption of liquor was due to Congress movement and not to the Government and when the Congress movement began to wane, consumption of liquor was showing a tendency to rise.

Mr. B. N. De, Revenue Secretary, pointed out that the Government acknowledged in their reports that Non-Co-operation gave an impetus to the movement towards prohibition, but its beneficial effects did not last long. Mr. De narrated the efforts of the Government to reduce consumption.

Mr. B. G. Khaparde said that the Minister for Excise had taken office recently but if the Council laid down a definite policy, he was sure the Hon. Mr. Rao would carry it out.

The Hon'ble Mr. Raghavendra Rao explained his excise policy further. Mr. Rao said that in 1921 the Legislative Council dictated a policy and that policy he was prepared to pursue. If the Council wanted any change, it was for it to express an opinion. As regards propaganda work if the Council suggested any methods, the Government would consider them, but Mr. Rao was against picketing.

After Mr. Rao's reply, a motion for a cut of Rs. 30,000 under District Executive establishment which gave rise to the whole discussion was withdrawn.

After further discussion the Council voted the entire demand under excise.

Other Demands.

The demand under stamps was voted without any discussion. Discussion of the demand under forests was not yet over when the Council rose for the day.

On the 11TH MARCH discussion of the demand under forests was taken up. Non-official members criticised the forest policy of the Government. Out of a total demand for Rs. 34,52,450 under 'Forest' the Council carried cuts amounting to Rs. 1,06,267 under general direction and contingencies.

Registration.

When the demand under Registration was taken up, Mr. G. S. Gupta (Swarajist) proposed a cut of Rs. 100 under 'Superintendence.' The mover said that the Registration Department was one of the most corrupt departments. Mr. Gordon and Hon. Mr. Raghavendra Rao, on behalf of the Government, gave an assurance that if the mover brought instance of corruption to the notice of the Government suitable action would be taken. The motion was withdrawn. The total demand of Rs. 22,500 under Registration was voted without reduction.

General Administration.

Demand under 'General Administration' (Reserved) was then taken up. Mr. G. R. Pradhan moved a token cut of Rs. 1 under General Administration—Heads of Provision. Mr. Pradhan said he moved the cut as he was dissatisfied with the whole administration and especially with the Government's indifference to the problem of providing houses for clerks. He also complained that more days were not allotted for non-official business. The Hon. Mr. Marten replied that three days provided for non-official business were sufficient as the members had an opportunity of discussing various questions at the time of the budget discussion. He repudiated the charge that the Government was in any way indifferent to the welfare of the clerks. Mr. Pradhan pressed his cut which was

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carried by 25 votes against 18. Discussion under General Administration was not over when the Council rose for the day.

Grievances of Agriculturists.

On the 12TH MARCH the Council discussed Rao Sahab Konde's cut for Rs. 1,000 under the head of General Administration (Reserved) as a protest against the bad conditions of agriculturists in Berar.

The Hon. Mr. J. I. Marten assured the house that the discussion on the subject would receive due consideration and the Government would look at the agriculturists' grievances with sympathy. The motion was carried.

Abolition of Commissioners' Posts.

After lunch the Council discussed a cut amounting to Rs. 1,42,700 for abolishing the Commissioners' posts and it was declared carried by a majority of three votes. 27 members voted for the cut and 24 against. Independents and a few members of the Nationalist Party voted with the Congress Party.

Government's Irrigation Policy.

On the 14TH MARCH discussion of the demand under irrigation was taken up. The Hon'ble Mr. Marten moved for a grant of Rs. 8,44,000 both under irrigation works charged to revenue and productive irrigation works. Mr. C. R. Pradhan moved a token cut of a rupee under working expenses. He complained against the enormous working expenses of the Irrigation Department. Thakur Chaital pointed out that the tenants did not get much benefit. Huge amounts were wasted by the department in spite of the fact that there were several experts in charge of it. The people, said the speaker, was afraid of the department and it was the duty of the Government to so alter its method of working as to convince the people that the department was for their good. Mr. G. S. Gupta supported the cut and, on doing so, asked whether the Government was willing to appoint a special Irrigation Committee.

The Hon'ble Mr. Marten replied that the Government would be willing to appoint a Committee. He also explained the irrigation policy of the Government. The Government would appoint a Committee and take it into confidence, in regard to the whole irrigation policy so that the future work might be carried on under favourable conditions.

Mr. Gupta thanked the Finance Member for his assurance and said he was satisfied that there was no necessity for pressing the cuts. Mr. Pradhan considered the assurance satisfactory and the motion for cut was withdrawn.

Several other token cuts were also withdrawn. Discussion proceeded for sometime more under other cuts and the Council reduced the demand by Rs. 1,90,000 and voted the rest.

Ministers' Salaries Voted.

The demand under General Administration (transferred) Ministers' salaries was then taken up. Mr. Rajendra Sinha, Swarajist, moved a cut of Rs. 98,996 out of Rs. 99,000 provided, thus reducing the figure to Rs. 4. Mr. D. K. Mehta, Dr. Khare, C. G. Miera, Mr. Gole and several other Swarajists supported the amendment and criticised the Ministers for accepting office and explained that they had no faith in the reforms. The speakers also criticised the attitude of the Ministerialist Party and quoted the words of Mr. Jayakar in the Assembly to prove that the Government had done nothing to respond to the wishes of the people. The Swarajists hoped that the two Ministers would redeem their tall promises which they had given to the electorates though they themselves had no faith in the ability of the Ministers to achieve anything under the present constitution.

The Hon'ble Mr. Raghavendra Rao said that he did not question the right of the Swaraj Party to criticise them, but he asserted that the verdict of the electorates was in favour of working the reforms. He and his colleague, Mr. Deshmukh, accepted office because they were assured of sufficient power, initiative and responsibility by the Governor: but the moment they felt that they were not getting these things they would have no hesitation in giving up office. Salary was no consideration for them and they were prepared to abide by the decision of the Council on this matter. Mr. Rao said he always held the view that those who worked for the country need not live on the country and he had always acted up to that ideal and there was no reason for him to deviate from that.

Mr. B. G. Khaspade defended the *bona fides* of the Nationalist Party and pointed out that this party dictated the personnel of the Ministry. Members of this party disagreed with the Congress Party and fought the election on the issue of working the reforms and they had entered the Council in a majority. The party proved that the

ships were in the gift of the people. Mr. Khaparde announced that the Nationalist Party had come to a unanimous discussion on the question of Ministers' salaries.

Mr. Gupta, Swarajists leader, said that whatever support the Ministers may be receiving now was due to the agitation and the pressure of the Swarajists during the last three years and not due to the Responsivists. After some more speeches the Swarajists' amendment to reduce the salaries of Ministers to Rs. 4 was put to vote and lost, 16 voting for and 46 against. Both the Ministers remained neutral.

After the Swarajists' amendment regarding the Ministers' salaries was thrown out, the Council further discussed the salary question. There was a proposal to fix the Minister's salaries at Rs. 2,000 per mensem each. Mr. Dick, nominated member, supported the proposal. This was rejected by the Council, 18 voting for and 41 against. Eventually a motion fixing the salary of the Ministers at Rs. 3,000 per mensem each was carried by the Council.

Censure Motions on the Government.

On the 15TH MARCH the House cut down a demand for administration of justice by Rs. 15,000 on the ground of economy.

The House then censured the Government on its policy regarding the appointment of Honorary Magistrates and the Government's negligence in giving effect to the wishes of the House regarding separation of the Executive from the Judiciary by carrying a cut of Rs. 1,000.

The Government was further censured on its administration of Police Department, the House having carried a cut of Rs. 40,000.

The House further recorded their protest for having kept European Education (Reserved) by carrying one rupee cut in the demand for Education (Reserved.)

The House also ventilated its many grievances regarding educational policy with regard to the transferred side of the department and carried a cut of Rs. 1,000.

The House also censured the University Law College authorities for unjustly rusticationing a student, by refusing to increase the grant. Voting was 31 against 19. Many Swarajists did not vote.

The House also refused to sanction Rs. 6,275 for the Personal Assistant to the Director of Public Instruction and censured the High School Education Board for its policy towards vernacular medium and carried a cut of Rs. 100.

Voting on Budget Demand Concluded.

After lunch the Council proceeded with the consideration of the remaining demands. As the days allotted for the discussion and voting on demands were over, the President put the demands to the vote. Out of a demand of Rs. 1,33,000 under the head "Education (Reserve)" Rs. 1,32,999 was voted. Out of the total demand Rs. 51,27,777 under the head "Education (Transferred)" Rs. 51,15,402 was voted. The total demand of Rs. 13,30,000 under the head "Medical (Transferred)" was voted. Out of the total demand of Rs. 2,28,600 under the head "Public Health (Transferred)" Rs. 3,13,600 (?) was voted. The total demands under Agriculture, Industries, Miscellaneous Civil Works Superannuation Allowances and Pensions, Stationery and Printing expenditure in England, Capital outlay on forest works, productive irrigation works, famine insurance fund amounting to Rs. 26,25,000, loans and advances and refunds of revenue, amounting to Rs. 2,28,191 were put to vote and carried, all cuts being withdrawn. The Council then adjourned.

Transaction of Official Business.

On the 16TH MARCH the Council voted some supplementary demands.

The Public Gambling (Central Provinces Amendment) Bill was introduced without any dissenting voice.

The Central Provinces Primary Education (Amendment) Bill introduced by the Hon. Mr. Raghavendra Rao was passed.

The Hon. Mr. Marten introduced a bill to provide for the consolidation of agricultural holdings and moved that it should be referred to a Select Committee. The House was divided in giving support to the Bill immediately and it was decided that the Bill should be published and circulated to ascertain public opinion.

The Council was then adjourned.

Scheme for Mass Education.

On the 21ST MARCH Mr. K. P. Vakiya moved a resolution that the Government should allot Rs. 15,000 towards a scheme of mass education.

Several non-official members supported the resolution. Mr. Jaiswal moved an amend-

ment that the scheme should be referred to a committee to be appointed by the Education Minister.

Mr. Beckett, Director of Public Instruction, pointed out that he was not against adult education. Instead of the Council agreeing to grant money for a particular scheme, Mr. Beckett suggested that the whole scheme of adult education should be examined by a committee. Some non-official members supported Mr. Beckett's proposal.

The Hon. Mr. Baghavendra Rao, Minister for Education, said that the best way would be to get any scheme for mass education examined by a committee. If the House passed the resolution, responsibility for the success or failure of the particular scheme placed before the Council would rest with the Council.

Eventually the Council decided to refer the question to a Committee.

Government's Exodus to Hills Opposed.

On the 22ND MARCH non-official business was resumed in the Council. Mr. K. P. Pande's resolution that the Headquarters of the Government be not moved to the Hill Stations during summer and the months of September and October was carried by a large majority in spite of the opposition of the Hon. J. T. Marten.

A Medical College for the Province.

Dr. N. B. Kharn moved a resolution recommending to the Government that steps should be taken to establish a medical college in these provinces as early as possible. The mover said that the Province should be made self-contained in every respect.

Mr. G. S. Gupta, Swarajist, moved an amendment that the proposed medical college should also include an ayurvedic section.

There was another amendment from Mr. Thakur Cherdial to the effect that a committee should be appointed to formulate a scheme for establishing a medical college on modern lines.

Col. K. V. Kulkley, Inspector-General of Civil Hospitals, while not opposed to the resolution, drew attention to the various essentials of a medical college.

The Hon. Mr. Baghavendra Rao, Minister, said that the Government was prepared to accept the resolution as amended by Mr. Thakur Cherdial. The Minister also added that he will investigate into the possibilities of the ayurvedic system also.

Eventually the amended resolution recommending the appointment of a committee to formulate a scheme for the establishment of a college inclusive of an ayurvedic section was carried.

Removal of Sex Bar.

Mr. Charlie moved a resolution recommending to the Government that the sex disqualification for the registration as voters in the electoral rolls of the constituencies sending representatives to the Council and also for election or nomination to the said Council be removed in respect of women generally in the Central Provinces and Berar.

Several speeches were made in support of the resolution.

Mr. C. N. Trivedi opposed the resolution and pointed out that women should engage themselves in maternity and child welfare and social reform.

The Hon. Mr. S. B. Tambre, Home Member, said that the Government would take no part in the debate. The decision entirely rested with the Council. But at the same time the Hon. Mr. Tambre placed certain difficulties such as bringing women to the polls for the consideration of the House.

After some more discussion the resolution was put to vote and declared carried.

Honorary Magistrates' Appointment.

On the 23RD MARCH the non-official resolution moved by Mr. Gole recommending to the Government the appointment of a district advisory committee for selection of honorary magistrates was taken up for discussion. It was opposed by the official members on the ground that the political parties in power holding strong views should not be invested with the power of recommendations.

The motion was put to vote and declared carried, 31 for and 25 against.

The Settlement Bill.

Mr. Mehta moved a resolution recommending to the Government for placing the Settlement Bill before the Council and, pending final consideration, no new settlement be undertaken and all settlements now in progress be suspended.

The resolution was declared carried, 27 against 15.

Some miscellaneous resolutions, relating to the improvements of roads, etc., were under discussion when the Council adjourned for lunch.

Abolition of Divisional Commissionerships.

After lunch the Council proceeded with the non-official resolution recommending to the Government to take proper steps to abolish the posts of Divisional Commissioners in this province. The Hon'ble Sir J. T. Marten, in opposing the resolution, said that wholesale abolition of the posts of the Commissioners was inconceivable; but the Government would consider the reduction of one post, if so desired. The resolution was put to vote and declared carried 85 against 15.

Amendment of Local Self-Government Act.

Leave was granted to introduce Thakur Chhedilal's Central Provinces Local Self-Government (Amendment) Bill which, after a lengthy debate, was decided to be circulated for ascertaining public opinion.

Sale of Country Liquor.

Mr. Gokulchand Singal then moved a resolution recommending to the Government to stop the sale of country liquor in the rural area of Damoh District from January next.

Mr. De opposed the resolution on the ground that the consumption of foreign liquor would be increased if the sale of country liquor was stopped and people would take to illicit distillation.

The Hon'ble Mr. Raghavendra Rao, Minister in charge of the Excise Department, assured the House that he would personally investigate into the matter, as the mover raised a question affecting Government's excise policy. The resolution was put to vote and declared carried by 29 against 11 votes. The House then adjourned.

Governor's Certification.

Out of a total sum of Rs. 15,84,897 under various heads refused by the C. P. Council H. E. the Governor certified amounts totalling Rs. 8,17,859 as essential to the discharge of his responsibilities for administration. The details are as follow: Rs. 6,50,000 under the head Land Revenue (Reserved); Rs. 19,250 under the head Forest (Reserved); Rs. 1,42,699 under the head General Administration (Reserved); and Rs. 5,910 under the head Police (Reserved). The Government resolution says that the remaining reductions made were in the nature of token cuts which will be considered by the Government in due course. The reduction under the head Land Revenue would be throwing out of employment 445 Government servants, permanent or temporary. It is also obvious that if the trained settlement staff were disbanded it would be difficult to assemble it again later on.

B. & O. Legislative Council.

The first meeting of the Third Reformed Bihar and Orissa Legislative Council was held at Patna on the 13th JANUARY 1927. After swearing in of members the Chairman announced that His Excellency the Governor has approved of the election of Khan Bahadur Khwaja Mahomed Noor as the President of the Council. The new President then took the chair and various sessions of the House and party leaders joined in congratulating him on his election. The Council then adjourned till next day when Mr. S. M. Mahanty was elected the Deputy President of the Council.

The Governor's Speech.

On the 14TH JANUARY, addressing the new Council, His Excellency Sir Henry Wheeler said that it had been his good fortune to have been associated with two Legislative Councils during his term of office and he rejoiced to believe that working together, they had been able to do something for the benefit of the people of the province. He could only hope that that record might continue to be maintained. The sole wish of the whole Government, added His Excellency, was to further the progress of Bihar and Orissa and they asked their whole-hearted help in their efforts towards that end. Personally, he would only see the start of their career but the beginning not infrequently defined character of the whole and so long as he remained here, he would follow their proceedings with deepest interest and with the earnest hope that they might prove to be wise, fruitful and beneficial.

Congratulating Khan Bahadur Khwaja Mahomed Noor on the election as the President of the Council, His Excellency expressed the hope that his tenure of office might be smooth and successful. The Khan Bahadur, said His Excellency, had already given practical evidence in the past Councils of his fitness for the post to which, therefore, he did not come untired. It must be gratifying to him to feel that he continued to enjoy the confidence of his fellow members. Sufficient experience of the new Councils had now been had to demonstrate to all the importance of the presiding officer. To him was entrusted the duty of ensuring that the proceedings of the Council were conducted in a dignified and orderly fashion and he had a right to expect fullest co-operation of all members irrespective of party in discharging this responsibility.

Voting on Supplementary Demand.

On the 17TH JANUARY public galleries were fully packed in view of the interest aroused in the constitutional issue raised by the Swarajists over what they thought was a violation of the constitutional convention by the Ministers in accepting office without commanding a majority of elected members of the Council and not advising the Governor to call upon the leader of the Swaraj Party (which according to them was the largest party) to form a Ministry.

Opportunity was taken by the Swarajists to discuss this question under a motion for supplementary demand for providing Rs. 12,000 for teaching accommodation for the Jamshedpur Technical School. The debate lasted for the whole day. Mr. Sri Krishna Singh, leader of the Swaraj Party, stated that constitutionally the Ministers had no business to continue in office when they did not have behind them the support of a majority of elected members. They could not exist merely on the supports of official and nominated members.

The Hon'ble Sir Fakhruddin (Minister of Education) replied that he knew no instance in the British constitution in which a leader had refused to form a Ministry when called upon by the King to do so. Though he believed that dyarchy was not perfect, they should at any rate work it to point out the defects therein in order to rectify them and gain more powers. Personally he was prepared to resign it, provided the Swarajists were also prepared to accept office and shoulder the responsibility.

On division being called the motion for supplementary demand was carried by 48 votes against 33 of the Swarajists. The Council then adjourned till the 14th February.

Budget for 1927-28.

On the 14TH FEBRUARY the Hon. Maharaja Bahadur Keshav Prasad Singh of Dammam, Finance Member, made his first budget speech in the Council while presenting the

budget estimates for 1927-28. At the outset the Finance Member emphasized the fact that the system of public finance should not only be well-designed but well-understood and jealously maintained and it was in every way to be desired that people's representatives in the Council should realise their responsibilities with regard to it and the close connection between the financial proposals of the Government as set forth in the budget and the practical well-being of silent millions whom the represented.

Receipt and Expenditure.

Coming to the budget proper and financial position of the province, the Finance Member stated that they anticipated starting the current year with a balance of just over 3 crores but when the final accounts were made out they proved to have a balance of some Rs. 30 lakhs more than they expected, the figure being Rs. 2,24,37,000 including the ordinary balance available for general purposes of Rs. 1,68,12,000 and Rs. 56,25,000 in the Famine Insurance Fund. The difference was principally due to the revenue of the last year being Rs. 11 lakhs above and expenditure debitable to revenue Rs. 9 lakhs below the revised estimate of that year. During the current year they now anticipated that revenue would amount to Rs. 5,72,01,000 or about Rs. 9 lakhs more than the budgeted figure of Rs. 5,63,22,000, while on the other side of the account they anticipated that expenditure debitable to revenue would amount to Rs. 6,12,15,000 or about 1 and three-fourth lakhs more than the figure of Rs. 6,11,59,000 originally anticipated and provided in the current year's budget. Whereas their total revenue was expected to amount to Rs. 5,67,42,000, their total expenditure debitable to revenue omitting provision for new schemes was expected to amount to Rs. 5,85,21,000 or about 18 lakhs more than their revenue. The corner stone of their financial edifice was the relation between their revenue and revenue expenditure and it would therefore be at once recognised that there was ground for serious thought when they would have to enter upon the new year with their existing liabilities well ahead of their revenue. He, however, maintained that the outlook was not so gloomy as it might at first sight appear and so would sum up the situation by saying that failing a breakdown of excise revenue their prospects should improve during the next three years but owing rather to reduction of expenditure than to increase of revenue. In their present position, it was not considered safe to incur new expenditure to the extent of more than 17 and three-fourth lakhs. Of the money available for new schemes 5 lakhs and 19 thousands had been allocated to the Reserved and 12 lakhs and 57 thousands or more than twice as much to the transferred. Taking all these proposals their total revenue expenditure would amount to Rs. 61,47,000 and total expenditure to Rs. 6,34,01,000. They would thus close the year with the balance of Rs. 1,44,25,000 of which Rs. 81,15,000 would be in Famine Insurance Fund while their ordinary balance would amount to only Rs. 63 lakhs.

Concluding, the Finance Member said that they had a series of good years and Government in their wisdom had taken full advantage of them. What were visions in 1912 were now solid realities. They had a University, a Medical College and an Engineering College. Schools and hospitals had been increased and improved beyond all knowledge. Nearly half a crore of recurring expenditure on the transferred nation-building departments had been incurred during the last four years. But it was obvious that the poorest province in India could not go on indefinitely adding to its permanent burdens at this rate. He hoped that this time next year, the outlook would be brighter than it was to-day.

Self-Government in Chota Nagpur.

On the 18TH FEBRUARY a long discussion centred on the first non official resolution on the agenda paper demanding that the privilege of electing non-official chairmen should be extended to district boards in Chota Nagpur.

Babu Sri Krishna Singh (leader of the Swaraj Party) moving this resolution said that Chota Nagpur was unjustly deprived of an important political right. The Local Self-Government Act was intended to train people in the art of self-government and it had a great direct influence on public life, as people in villages were directly connected with affairs of district boards and they properly understood them. He traced Lord Ripon's policy with regard to local self-government in India and pointed out that it was his genuine desire to see that the cause of local self-government advanced in this country. He hoped that the Council would register its verdict in favour of the resolution.

Rai Bahadur Sarat Chandra Ray moved an amendment that the board should be empowered to elect chairmen from among themselves, official or non-official, or from outside.

Babu Bridhar Samal (Depressed Classes) opposing the resolution said that it would be to the advantage of the people of Chota Nagpur that the Government were the custo-

dians of their interests. When the proper time came the Government would give them that privilege. He complained of the disabilities imposed upon them by the higher castes and pointed out that no regard was paid by them to their interests. Only Government and the Christian missionaries had done something for their advancement.

Mr. Sifton (Chief Secretary) on behalf of the Government stated that he was surprised at this demand being put forward by B'hari and Oriya members who had their own pressing questions to consider. His observations were based on personal knowledge and not on abstract theories. He had worked in Chota Nagpur in his official capacity for 10 years and he had therefore come into close connection with the people there. For the backward areas the Government was a person, and as their motions did not extend beyond the limits of the district and their vision was restricted the Government was de facto the District Officer. On account of their backwardness the Government was bound to take care of those classes. Mr. Hammond pointed out that they had official chairmen to protect colliery interests and to see that justice was done to colliery owners.

The amendment was lost and the main resolution was carried, 52 voting for and 39 against it. The Council then adjourned.

Committee to Enquire into Coal Depression.

On the 31ST FEBRUARY the coal industry and the Santal Parganas district figured in the debate in the Council, when two non-official resolutions were moved demanding a committee of enquiry into the causes of the heavy depression in the coal industry in the Province and extension of the operation of the Local Self-Government (Amendment) Act (1923) to the district of the Santal Parganas.

Babu Jagat Narain Lal, pleader, of the Independent Congress Party, moved a resolution urging the appointment of a committee of enquiry into the causes of the heavy depression in the coal industry with a view to suggesting means to remove them. Within the year 1924-25, 156 companies had closed down. The industry had been greatly handicapped owing to enhanced railway and shipping rates.

Babu Gur Sahay Lal moved an amendment that enquiry be made with special reference to the lowering of the by-product relating to coal.

Mr. Devaki Prasad Sinha pointed out that such a committee would be futile, as the remedy of the causes lay with the Government of India, and the Local Government had nothing to do with the question involved.

Mr. Lewis (Revenue Secretary) explaining the attitude of the Government, said that the resolution raised an all-India issue with which the Local Government was not concerned. The depression was not due to local facts. On the assurance given by Mr. Hammond, leader of the House, that a small committee would be acceptable to the Government, under certain limitations, the resolution was ultimately withdrawn.

Babu Ram Dayalu Sinha, Swastajist, moved that operation of the Local Self-Government Act be extended to the Santal Parganas.

Mr. Hammond, on behalf of the Government, opposed the motion and observed that the Santals were a simple and credulous people, and they needed protection, firstly, from the pressure of landlords, secondly from moneylenders, and thirdly from the evil of litigation.

The resolution was carried by 41 votes to 38.

Administration of Sone Canals.

On the 22ND FEBRUARY, Kumar Rajiva Ranjan Prasad Sinha moved a resolution demanding a committee of enquiry into the grievances of cultivators in regard to the administration of the Sone Canals and to suggest measures for affording relief. The grievances were mainly enhanced water rates, insufficiency of water supply, irregularity of supply and relaxation of supervision over the subordinate staff of the canals. Rai Bahadur Bishan Swarup, Chief Engineer, replying on behalf of the Government, stated that during the years 1923, 1924, and 1925 the Government convened three conferences of officials and non-officials to suggest all possible improvements with regard to the administration. Constant efforts were made to enquire into the complaints made and the Government had done everything that could reasonably be done to meet them. Under the circumstances there was no necessity for a committee.

The resolution was ultimately carried without a division.

Another resolution, which occupied much time, was regarding the improvement in the pay and prospects of members of the subordinate educational service, several members representing that these men were poorly paid. The resolution was carried by 36 votes to 32.

The Budget Discussion.

General discussion of the Budget commenced on the 24TH FEBRUARY and continued till the next day. On the last day in summing up the discussion the Hon'ble

Maharaja Bahadur of Dumraon, the Finance Member, claimed that the nation-building departments had been more generously treated in Bihar than in any other province in India. He stated that since the introduction of reforms, the total expenditure that has been incurred on new schemes on the reserved side was Rs. 4,17,000 recurring and Rs. 47,66,000 non-recurring. On the transferred side corresponding figures were Rs. 1,33,30,000 recurring and Rs. 1,38,67,000 non-recurring. Again comparing the expenditure of 1921-22 with those of 1927-28 excluding non-off-active charges, they found that there had been an increase of only 11 per cent under Reserved side, while under Transferred, the increase was one of 55 per cent. They had incurred nearly half crore of new recurring expenditure on the transferred departments. He did not believe that there was any other provinces in India that could show such a record.

Voting on Budget Demands.

On the 5TH MARCH the Council voted three budget demands of Rs. 21,66,508, Rs. 29,52,118 and Rs. 2,04,592 in respect of land revenue, excise and stamps respectively. A token out of Rs. 100 was moved on the excise demand to urge the prohibition by the Government, but was ultimately rejected. The Government pointed out that the policy of total prohibition was not feasible from a practical point of view although the Government had always aimed at a policy of maximum revenue and minimum consumption.

Acquisition of Private Forests in Chota Nagpur.

On the 7TH MARCH by 55 votes to 33 the Council refused provision of Rs. 1,00,500 for acquisition of private forests of Chota Nagpur. Non-official members who moved criticism of this item urged that acquisition of these forests meant encroachment upon the rights of land-lords and tenants and the Government should not follow this policy of acquisition. The Government replied that rapid denudation of private forests of Chota Nagpur had become a matter of serious public concern and the only effective salvation of these forests lay in acquisition. The Government was, therefore, aiming at conservation of the forests which would in course of time prove to be remunerative as well as of great utility in removing one of the causes of floods in Orissa.

Censure Motion on Ministers Defeated.

On the 8TH MARCH the Swarajist members in the Council raised once again a constitutional debate in moving a token out of Rs. 100 on the demand for Ministers' salaries.

Babu Niran Narayan Singh (Swarajist) who moved the cut said that the motion was intended as a vote of censure against the present Ministers and against the Ministry. His first grievance against the Ministers was that they violated the very spirit of the constitution in accepting the office without enjoying the confidence of a majority of elected members and in not advising His Excellency the Governor to invite the Swaraj Party which he claimed was the majority party. The constitution meant that Ministers should depend on a majority of elected members. No instance, continued the speaker, could be found where Ministers had violated the constitution in such a manner. He contended that the Ministers had not enunciated any definite policy in their term of office. It was a great slur on the province that no capable men could be found to replace these Ministers who had been appointed for the third time. Thus the members other than the Swarajists were refused the opportunity of shouldering the responsibility.

Babu Lakshmidhar Mahantbi (Orissa), supporting the motion, complained that Orissa had not been given a proper share in the administration of the province and put forward the claims of Orissa for a third Minister.

Babu Bhagwati Saran opposed the motion as he thought that the present Ministers who had done good work should not be censured like that.

The Hon'ble Mr. Hammond, speaking on the motion, said that the Ministers should enjoy the confidence of the House as a whole. The Ministers had discharged their duties to the satisfaction of the elected members of the Council. As regards the suggestion for the third Minister for Orissa, he said that in the first Reformed Government they had a Minister from Orissa. He pointed out that the representation on the Ministry on the basis of claims of localities and communities was destructive of the development of a true sense of nationalism. It was wrong to say that the claims of Orissa had not received due consideration. He thought that it was not the proper time for the Orissa members to raise this side issue. The Ministers had discharged their duties to the best of their ability and enjoyed the confidence of the Council as constituted.

Khan Bahadur Mahmood Hafez, opposing the motion, said that the whole idea of the Swarajists was to wreck the constitution and make the Government impossible as

they had come with a definite pledge not to accept office. It was, therefore, the duty of those members who had come to work the Reforms to support the Ministers who had done excellent work and enjoyed the fullest confidence of members of the House barring the Swarajists.

Babu Bajandhari Singh, opposing the motion, said that the Ministers had not violated the constitution as they knew they enjoyed the confidence of the people.

The Hon'ble Mr. Ganesh Dutt Singh (Minister for Local Self-Government), replying, said he knew that as a Minister, he was not a permanent fixture nor would those who succeeded him. The Orissa members wanted a third Minister and that was why they had joined in the motion for censure. But that was for the Government and His Excellency to decide. He knew that the Swarajists had their block in the Council, but barring them, he claimed that he and his colleague, Sir Syed Mahomed Fakraddin, had a larger following than any other members in the Council.

The Hon'ble Sir Syed Mahomed Fakraddin, Minister of Education, replying, said that after six years of strenuous work to advance the educational progress of the Province, he found that expressions and gestures were used against him which were highly disappointing. It was said that ministership was sweet and tempting to him. He would tell them that it was not sweet but sour. (A voice: Why not resign it?) He had a high position in the Bar with no ministerial responsibility and worries. The Orissa members said that they had nothing personally against the Minister. If so, why should they join in this motion of censure which challenged the character and honour of Ministers? It was wrong to say that Ministers had violated the constitutional convention.

Motion Lost.

On a division the motion was ultimately rejected by 44 votes to 37. Members from Orissa kept neutral.

Government House Garden Parties.

By a majority of 54 votes to 23, the Council rejected and dissociated itself from the motion for a token out of Rs. 100 for provision for staff and household of H. E. the Governor.

Mr. Devaki Prasad Saha (Independent Congress Party) who was the author of this motion criticised the management at garden parties of the Government House and asserted that a distinction was drawn between Indian and European guests. A number of members made speeches dissociating themselves from the motion.

The Hon'ble Mr. Hammond (leader of the House), replying, said that His Excellency the Governor accepted full responsibility for the management of his parties and he did not desire that any official member should defend the household management on the floor of the House. He continued that in discussing this they could not separate the host from hospitality. He pointed out that there were two kinds of guests, one who accepted the hospitality and the other who, on political considerations, did not accept it. But the mover wanted to create a third kind of guests to which India was unaccustomed and the House recoiled as they enjoy the hospitality and would at the same time criticise and caviat at it. The Council then adjourned.

Ministers' Salaries Voted.

On the 9TH MARCH by a majority of 53 votes to 35 the Council rejected another Swarajist motion for the total omission of the provision of Rs. 1,15,911 for the Ministers. Swarajists tabled this motion against the hierarchical system of Government.

Mr. Krishna Ballab Sahay, Swarajist, who moved for the omission of this provision pointed out that the Devolution Rule 6 entitled the Governor-General to suspend or revoke the transferred department. Rule 10 made the services not subordinate to the Ministers but to the Governor. Section 53 (3) made the Ministers mere advisers. Section 73 entitled the Governor to withhold his assent from any act of the Council and Section 73 directed that no appropriation of revenues could be made except with the consent of the Governor. How could a Minister be said to have any powers? While other countries, continued the speaker, have completed the progress of literacy, India had progressed from 3·1 in 1891, to 5·1 in 1921 and to 5·6 in 1923. At this rate literacy would be complete in 50 years. Bihar made less progress than India as a whole. Technical education had been started long before the Reforms. If the Reformed Government could boast of engineering and medical colleges the pre-Reform Government could boast of the Govt. of India Act which had given more powers to the Governor and made Ministers powerless.

Mr. Srihar Samal (Depressed classes) opposing the motion said that the question of Hindu-Muslim, Brahmin-Non-Brahmin differences had to be settled before they demand

Swaraj. It was wrong to say that the Reforms had not given them anything. He thought that the constitutional advance should be in stages.

Mr. Sri Krishna Singh (leader of the Swaraj Party) supporting the motion said that he had got the highest respect for the Ministers; but he condemned the system of diarchy. He contended that the Government of India Act had given the Governor greater powers with regard to the transferred departments. The Governor dealt with the Ministers separately and overruled them when he happened to differ from them. Then he urged that the Ministers be given a free hand with regard to the administration of the transferred departments. He then pointed out that they had not the power of the purse. By the Reforms there was no change in the system of administration and the administration had become more expensive. This was admitted even by the Ministers in their memorandum to the Reforms Enquiry Committee. By not allowing this system to continue they would show that this Government was not carried on by the consent of the people. He asked them how they could sanction a system of Government which had no real powers. Some members saw the hand of the wricker in this motion, but posterity would judge if their action was not guided by national impulse.

Mr. Chandreshwar Prasad Narayan Sinha opposing the motion said that there was no reason why a section of the people having faith in working the Reforms should be obstructed by another section which had no faith in it.

Rai Shitraj Krishna (Swarajist) supporting the motion asked if 6 years of working the Reforms had not revealed to them that it had nothing in it.

The Hon. Sir Syed Mahomed Fakhruddin, Minister of Education, replying, said that his views about diarchy were well-known. He admitted that there were defects in it and that Ministers had to work under various restrictions. He himself wanted that the system should be changed. They had on their part in spite of these restrictions and limitations done their best. He then referred to the educational progress made in the province.

The motion was ultimately rejected by 53 votes to 35. Then the whole demand of Rs. 50,99,515 under general administration was put to vote and agreed to. The demand under Administration of Justice was being discussed when the Council adjourned.

Demand under Justice and Jails.

On the 10th MARCH the Council voted demands of Rs. 29,75,694 and Rs. 17,06,788 for administration of justice and jails and convict settlement respectively. There was a discussion on a token cut of Rs. 100 proposed on the administration of justice in the course of which the members called attention to the delay in giving effect to the proposal of separation of the judicial and executive functions and urged the appointment of a Muslim Judge on the bench of the Patna High Court. It was replied on behalf of the Government that the recommendations of the local Government with regard to the proposal of separation of judicial and executive functions were under consideration of the Government of India and the Government would in future most carefully consider the propriety and desirability of appointing a Mussalman as a High Court Judge. The motion was ultimately withdrawn. The demand under "Police" was being discussed when the Council adjourned.

On the 11TH MARCH the Council voted a number of budget demands for grants including Rs. 73,84,187 for Police and Rs. 1,39,791 for Education (Reserved) respectively. His Excellency Sir Henry Wheeler and Lady Wheeler were present in the Distinguished Visitors Gallery.

Primary Education in Bihar.

On the 14TH MARCH the Council discussed the Swarajist motion for a token cut of Rs. 100 in the demand for education (transferred). A number of members including Mr. Ramdayal Sinha, mover, Mr. Nirsu Narayan Singh and Mr. Mubarak Ali took the opportunity to discuss the education policy and call attention to specific questions connected with it. The mover and Mr. Nirsu Narayan Singh centred their criticism on primary education which they considered had not sufficiently advanced and urged that local bodies should be given free discretion to work out the education policy regarding primary education. Mr. Nirsu Narayan characterised the policy as detrimental to the interests of the people and asserted that, during the last 6 years, Ministers of Education had not laid down any definite policy with regard to primary education which was most essential for educating the masses.

Mr. Mubarak Ali drew attention to Moslem education in the province and demanded that fair treatment should be accorded to it.

Hon. Sir Fakhruddin, Minister of Education, replying, assured the members that it was not his policy to impose any restrictions upon local bodies with regard to any pro-

programme of primary education. He would be the last person to interfere with the discretion of the local bodies in working out a programme. If any restrictions had been put, they had been put from *some* *his* motives. It was the desire of the Government to see that primary education was spread as quickly as possible. But the whole question was about funds. The Hon. Minister had not concluded his speech when the Council adjourned.

Mr. Hammond Congratulated.

On the 15TH MARCH, the Council reassembling, members from all sections and party groups took opportunity to congratulate the Hon'ble Mr. Hammond (leader of the House) on his new appointment as Governor of Assam.

Mr. Sri Krishna Singh, leader of the Swarajya Party, Messrs Mubarak Ali, Devaki Prasad Sinha and Sri Krishna Mahapatra and others participating in chorus of congratulations wished Mr. Hammond success in his new exalted office.

The Hon'ble Mr. Hammond thanked them in reply and said that he was very sorry to leave Bihar with which he had old associations.

Voting on Budget Grants Concluded.

To-day was the last day for voting on Government Budget demands for grants. At five in the evening the guillotine was applied and all the remaining Government demands were put to vote and carried. The Council adjourned till next day when supplementary demands were taken up.

Sir H. Wheeler's Farewell Address.

On the 16TH MARCH, in his farewell address to the Bihar and Orissa Legislative Council, His Excellency Sir Henry Wheeler said that he did not leave the province in a state of financial despondency in which he found it and he regarded it with satisfaction that they, under the constitution as it stood, whatever might be their views regarding it, had been able to do some work of value. Relating the parable of the Stranded wayfarer, His Excellency exhorted them to face facts, shoulder loads, welcome the help of all who offered it, trust to a wise leader and disregard false guides and set forth along the winding road in good heart and with single-minded sincerity of purpose and the dawn would see them home. He assured them that they had many official well-wishers on their journey. Some of them perchance were apt to regard them as the hosts of the maidan prowling round and round, others to resent it when they deprecated short cuts or pointed out false trails. But officials, he continued, had already shared the fatigue of many a hot, long and dusty march and they offered them their help on the remainder of the way.

Concluding, His Excellency said that they had come to a stage together and his good-will went with them on the rest of the route. To all who had helped in accomplishing whatever during the last five years had been achieved, he offered his sincerest personal acknowledgments and his parting wishes were for the welfare of them all and of the province which he had endeavoured to serve.

Voting on Supplementary Grants.

After going through the last day's programme and voting a number of supplementary demands for grants which occupied the whole day the Bihar and Orissa Legislative Council adjourned to-day "sine die."

The Burma Legislative Council.

The Budget Session of the Burma Legislative Council was opened by H. H. the Governor on the 24TH JANUARY 1927. There was a large attendance of members. The visitors' gallery was also full. There was a large crowd in the vicinity of the Council to greet His Excellency.

In addressing the Council His Excellency spoke on the advancement of Burma and Rangoon. After referring to the visits of the Commander-in-Chief, Sir Basil Blackett and Sir Ronald Ross, he made a general survey of the condition of the province which he said was satisfactory. In the course of the survey he touched on agricultural expansion of maritime trade and progress made by the development trust, public health, branches on railway line, crime position, communications, university and recent despatch of expedition to the Triangle to abolish slavery. As regards agriculture, the Governor said there was a record rice crop and although harvests in Upper Burma had suffered, the general outlook was satisfactory. In maritime trade there had been great expansion in the year 1925-26. The number of ships which entered into the ports was 1676, as compared with 1894 of Bombay and 1194 of Calcutta. The net registered tonnage was 4 millions tons in Rangoon as compared with 4 and half millions in Bombay and about 3 and seven-eighths millions in Calcutta. Rangoon was now the second port in the Indian Empire. Public health on the whole had been satisfactory and, in this connection, His Excellency referred to the presence of the British Social Hygiene Council Delegation in Rangoon and enquiries now being conducted by the Health Committee appointed by the local Government. Regarding railway branches, he remarked that the Government realised that the question of flooding was a very serious one and that no unnecessary delay would take place in taking action on the reports of the Committee which would be published shortly. The latest returns of crime, the Governor observed, were very encouraging, though the crime season was not yet in full swing and he was not disposed to prophesy. He thought they were proceeding on the right lines to bring crime back to reasonable dimensions. Murder, he said, had not yet shown an appreciable tendency to decrease; but the Committee appointed to tackle this difficult question would shortly submit its report. Here he testified to the excellent hard work of the District Officers and police forces in the suppression of crime. Communication, His Excellency pointed out, were steadily improving. He expected to get some return for the heavy outlay on the Mifaldon Cantonment which should be ready for occupation in the next October. The University, he observed, was emerging from difficulties which beset its birth and everything was in the train for rapid advance. He gave the assurance that the Government would do all in its power to assist the University to an early completion of its building schemes. His Excellency spoke on the recent Darbar held at Myitkyina and on the setting out of Mr. Barnard and his assistants on the detailed work of the emancipation of slaves in the triangle. He trusted that this would be carried out promptly and successfully and the blot on the fair name of the Province would be removed. In this connection His Excellency acknowledged the great assistance received from Lord Irwin and Sir Basil Blackett.

Concluding he referred to the great importance of the Session, this being the last over which Sir Robert Giles presided. He thanked Sir Robert for the services rendered to the Province and felt that it would be hard to find successor to him.

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The Budget for 1927-28.

After the Governor had left the Council, there was a short interval when the Council resumed its session. New members including Mr. U. Mg. Gye, ex-Education Minister were sworn in. The Finance Member then presented the budget.

The budget sanctioned by the Legislative Council in March 1926 assumed the opening balance of Rs. 2,32,50,000 receipts amounting to Rs. 10,67,38,000 and an expenditure of Rs. 11,81,86,000 (of which Rs. 2,03,32,000 was cleared as capital expenditure) and a closing balance of Rs. 68,28,000. The opening balance fell short of the estimate by Rs. 39,37,000. The year 1925-26 was considerably less favourable to the agriculturist than the previous year and although receipts exceeded expenditure, it fell short of the estimates adopted in March 1925. The surplus was below anticipations during the current year. So far as can be seen at present and despite the facts that rains have been normal,

the estimates both of receipts and expenditure which were adopted last March will be worked up to within the exception. Provision was made under debt bonds for a loan of Rs. 65 lakhs. to the Rangoon Port Trust. The Commissioners have decided to raise a loan in the open market and provision for the loan will not be required. On information at present available, it has been estimated that the closing balance on the 31st March 1927 will be Rs. 90 lakhs or Rs. 2,172,000, more than the estimate. This amount of Rs. 90 lakhs has been adopted as the opening balance in the budget for 1928.

Estimates for 1928.

For the purpose of the budget for the coming year, continuance of the existing taxes is assumed. It is estimated the ordinary revenue receipts will amount to Rs. 10,36,34,000 and ordinary expenditure charged to revenue to Rs. 10,08,84,000. It is proposed to incur a capital expenditure amounting to Rs. 2,58,61,000, of which one Rs. 1,29,11,000 represents expenditure for which loans are not admissible under Debt Heads. Receipts anticipated are Rs. 30,75,000 (excluding the loan of Rs. 1,36,00,000 which it is proposed to take from provincial loans fund) and expenditure Rs. 28,44,000. Towards this there is available from the anticipated opening balance (excluding the amount to the credit of Provincial Famine Insurance Fund Rs. 1,26,000 which cannot be used for ordinary expenditure) only Rs. 88,74,000. It is proposed to bridge the gap by borrowing one Rs. 1,36,00,000 from Provincial Loans Fund of the Central Government less any remission of Provincial contribution which the Central Government may grant. This amount is less by Rs. 38,47,000 than the balance which is expected to be at the credit of the local Government on the 1st April 1927 on account of its loans and advances to local bodies, agriculturists and others and it will not be necessary to borrow for any specific purpose or to transfer from revenue to capital account any capital expenditure incurred in the past on the objects for which loans were admissible.

The financial position of the Province on the 31st March 1928 is thus:—It is estimated on the 31st March 1928 provincial balance will be reduced to Rs. 2,10,000. Balance at the credit of the Province on account of loans and advances by the local Government will be Rs. 1,72,88,000 and the Province will owe Rs. 1,36,00,000 to Provincial Loans Fund of the Central Government. The Province will be committed a large programme of expenditure on public works. It will be impossible to carry these to completion without borrowing some two and half crores annually. Charges on loans necessary to carry the programme through to completion could be met by the margin between ordinary receipts and ordinary expenditure supplemented by the entire remission of the provincial contribution; but it will be necessary to avoid further heavy commitments on non-productive schemes and to curb severely the present tendency to increase recurring liabilities.

The Finance Member pointed out that on the reserve side, increase in expenditure has been comparatively much less than on the transferred subjects and in support quoted figures. He paid a tribute to Mr. Booth Gravelly, Secretary, Mr. Gilliat, Additional Secretary, Rai Sahib Ashutosh Basu, Assistant Secretary and others of the Finance Department for their unstinted co-operation in the laborious task of the preparation of the budget.

Other Business.

The official business transacted after the presentation of the budget was the introduction of a Bill to determine the salary of the President of the Burma Legislative Council (Rs. 4,000). The Council then adjourned till the 1st February.

Foreigners' Marriage with Burmese Women.

On the 1ST FEBRUARY, discussion was resumed on the resolution for application of Buddhist laws to marriages contracted between Burman Buddhist women and foreigners. Mr. A. Egan, Government Advocate, explained what the law on the subject was at present. He pointed out the objections which came in the way of carrying out such a motion. He thought the matter was of all-India importance and could have been better discussed in the Legislative Assembly though he doubted it ever would have met with much success there. If the intention of the mover was to protect ignorant Burmese women, the best means would be to start propaganda showing the dangers arising out of such marriages. He stated that codification of Buddhist laws was coming up before the Council and the mover would have then a better opportunity of moving an amendment to the main Bill to carry out his desire.

The Home Member said that the committee was now discussing the Bill and the mover could give his views to one of the three members of the Council on the Committee. He expected the Bill would be before the Council in the September session.

The resolution was then withdrawn.

State Management of Burmese Railways.

The question of State management versus company management was the subject-matter of another resolution discussed in the Council. Mr. U. Pa, leader of the Home Rule Party, moved that this Council considers that the best interests of the province are in the present circumstances likely to be served by State management of Burma railways on the termination of the present contract and requests the local Government to take the opportunity of recommending this view to the India Government and the Secretary of State. The mover, in urging the reasons, said that practically they had no voice in the management and that Burmans were not given sufficient encouragement to join railway service.

A number of members took part in the discussion, most of them supporting State management.

The Finance Member informed the House that Government benches would not vote on the motion. In explaining this attitude, he said that a similar motion was disallowed last year by the Governor, the subject matter being central. This year the motion has been allowed as the India Government wanted to know the opinion of the local Government and the latter would like to be guided in this matter by non-official opinion in this House. According to the present arrangement, the contract with the Burma Railway would terminate on a year's notice. He asked the House to consider the disadvantages that may result from State management so long as Burma remains part of the Indian Empire. He also quoted instances of several countries where State management had not proved to be a success.

Mr. Crosthwaite, Officiating Agent of Burma Railways, spoke refuting the mover's reason regarding employment of Burmans and the Railway Advisory Committee.

The resolution was then carried without division. The Council then adjourned.

Removal of Sex Disqualification.

On the 3RD FEBRUARY Mr. Thrin Maung, the Nationalist Party's chief whip, introduced a Bill for encouraging the national sports of Burma. It wanted to provide a permanent institution to be called national sports institution and association for Burma as a body incorporated with a common seal with the head office in Rangoon. The Bill stated that the association should have the power to take all lawful steps in any part of Burma for promoting field and aquatic sports and games or exhibitions of skill in which competition or display depends upon human endeavour without the aid of horse or other animals. The mover proposed referring the Bill to a Select Committee.

The Home Member, in opposing, said that the Bill would clash with the village and police acts and such associations could better be formed with private enterprise. The motion was put to vote and lost by 21 against 41.

Removal of Sex Disqualification.

The next item on the agenda which evoked much interest was Mr. A Maung Gyee's resolution recommending to the Government the removal of sex disqualification clauses from the Burma electoral rules. The mover described the important position occupied by women in Burma and the amount of freedom enjoyed by them both in the past and the present times. In many respects, he opined they were far ahead of the women in India. He pointed out to the advancement made by Indian women in the direction of political emancipation of the country and he could find no reason why Burmese women should have any bar on them. He thought their presence in the Council would be very useful during the discussion of such subjects as public health and sanitation.

After the resolution had been discussed for sometime by the non-official members, the Home Member, opposing the resolution, said Burma was never known to have a representative institution on western lines and women not being versed in western institutions of this kind, the resolution was, in his opinion, premature. He thought they would wait for the Statutory Commission and then place their views for the removal of such disqualification before the Commission. Though there were numerous women's associations all over the province, no representation has been received from them. He raised the question whether Pongyis would at all like to be legislated by women and expressed strong doubt. The resolution was pressed to a division and lost by 46 against 21.

Closure of Rice Liquor Shops.

The only other item of business disposed of at the Council meeting on this day was a non-official resolution recommending to the Government to close all Hiawna (rice liquor) shops in Burma on the expiry of their current licences. The resolution was lost. The Council then adjourned.

General Discussion of the Budget.

On the 4TH FEBRUARY, the whole day was devoted to a general discussion of the budget. Nine non-official members participated.

Mr. U. PU, leader of the Nationalist Party, and ex-Minister, opened the debate by thanking the President for unflinching courtesy to his party and for his fairness and justice in dealing with the whole house on all occasions. He criticised the budget as a whole and pointed out how extensive retrenchment could be carried out first of all by reducing the number of officials. He said, that Yansamin water-supply scheme was the gigantic and did not approve of money being spent on it. The Government having paid no heed to the warning against squandering money, the result was the parlous state of finances of the province. He regretted nothing has been done so far regarding the suggested scheme of land mortgage bank. He criticised increased expenditure in police estimates. The burden of taxation, he said, was growing heavier and the Government was spending money lavishly instead of trying to reduce expenditure and to decrease taxation.

Mr. TYABJI (Swarajist) felt that the financial position of Burma was deplorable. The province did not possess a balance. If the Government intended to borrow, they would not be able to pay the loan next year whilst the expenditure was increasing. There was no corresponding increase in the revenue. Unproductive projects of civil works swallowed up large sums of money. He opined that a great deal of money could be saved by economy and expenditure.

Mr. Narayana BAO (nominated labour member) regarded it as the clearest budget. He had not the same horror for borrowing as other speakers so long as the finances of the province were sound. During the past few years, he said, Burma had made rapid strides specially in education. The budget had also made generous contributions to the building of hospitals etc. He asked the Government to enquire why excise licences were going up and to find out means to stop illicit traffic of liquor if it was a fact.

Mr. U. PU, leader of the Home Rule Party, also paid a tribute to the President. He agreed with the leader of the Nationalist Party in the criticisms made by him. He considered the working of the various departments unsatisfactory and urged systematic and rigid scheme of retrenchment. The country, he opined, was groaning under the taxation. He wanted the development of the country to be carried along lines beneficial to Burmans, such as increase in the number of co-operative societies and banks, further expansion of education etc., and not along the lines which facilitated outsiders to enrich themselves. He remarked that if the Government only took trouble to make people contented and happy there would be less crime and consequently less expenditure on the police force.

Mr. DEGLANVILLE, leader of the Independent Party, reminded the House that most of the civil works projects were started by Nationalists when they were in office and he left it to them to insist that these schemes be proceeded with. He saw that Mr. Tyabji wanted to cut down the expenditure in communications and devote money to cottage industries and agriculture. What could they do with their produce without communications? He regarded the criticisms made by opposite benches (Nationalist, Home Rule and Swaraj Parties) were destructive. With regard to the deficit of two crores in budget, he was in favour of issuing premium bonds.

Official Reply to Criticisms.

On the 5TH FEBRUARY, members of the Cabinet replied to criticisms of the budget.

Dr. BA YIN, Minister in charge of Education, local Self-Government, Public Health and Excise, stated that the Government was doing its best to educate children of the country. He denied the allegation that the University of Bangoon was the monopoly of the rich as described by one member. With regard to public health, the Government was also doing its best both for urban and rural population. He instance some measures adopted to show that rural population's interests were not overlooked. He informed the House that the Government was collecting information for a scheme of benefit both to medical practitioners in indigenous system and to the country. The excise policy he remarked was not influenced by revenue consideration. So long there was the demand, the Government could not cut supply as such a policy would lead to illicit traffic. He quoted figures to show that there had been steady gradual expansion in the expenditure on transferred subjects.

Mr. L. AHYAIN, Minister in charge of Forest and Agriculture, referring to criticisms about the land mortgage banks said that detailed steps were taken to draft the bill for the purpose and he expected that he would present it to the House next August. Reclamation scheme was being tried at Proma, deforested areas being given to the poor

for cultivation. He was surprised at the statement that communications and civil works are unproductive. As regards roads, he remarked they were important for trade, while civil works comprised buildings for hospital, for the education of children and for judicial and public officers, all necessary for the better Government of the country. Regarding the suggestion made that Burma should be raised to Japanese standard in industries, he pointed out that Burma was principally an agricultural country and there could be no comparison. There were ample cottage industries for the present needs of Burma and they were encouraging them.

Sir J. A. MAUNG GYL, Home Member, considered himself fortunate that few criticisms had been levelled against him, perhaps due to the fact that the opposition benches realised that he had been in office for only a few months. Replying to criticisms made by a member about cutting down the expenditure in housing the police, he said the police were badly housed and considering the important work they were doing they should be made comfortable. About increased police expenditure, he said that as soon as crime decreased, expenditure would also decrease.

Sir William KEITH, Finance Member, replying said that very few criticisms had been made at the estimates for 1927-28. Hitherto, Burma had found money for capital expenditure from rice control profits, but towards the end of the year, they would have to borrow not a very large sum and they would have to continue doing so. But so long as income was steady, the position was not serious as some members tried to make out. What they would have to be careful about in future was to see that recurring expenditure did not rise as fast as it had. The matter rested with the Finance Committee who would have to scrutinise carefully fresh proposals in future to see money spent on capital expenditure so as not to involve recurring liabilities. Regarding the outcry against new police courts, he said that from a commercial standpoint the building was a good proposition as it would house many courts and offices which were now in rented buildings. Yawslin scheme to augment water-supply was already in progress and the Council would have an opportunity of discussing the whole scheme when demand was made for grants. He pointed out the importance of civil works. The Finance Member admitted the return from irrigation was much quicker than roads, but he pointed out that roads, though they did not bring any revenue directly, were of great importance to the development of trade and agriculture. Turning to excise, he emphasised that the policy was not guided by financial considerations. So far, Burma was the only province in India which has not imposed fresh taxation and he did not think the people had much cause for grievance, even in case fresh taxation was imposed.

The total increase in expenditure on education was much greater than that on police. He reminded the House that the expenditure on police depended on the state of the country. In regard to the suggestion of raising money by premium bonds, the Finance Member was in favour of it and if some suitable schemes were put forward and the Government of India were induced to sanction it, then Burma would be able to have such a scheme within its borders.

Official Business.

Four official bills including the President's Salary Bill fixing the salary of the elected President at Rs. 4,000 per month were passed without discussion. The Council then adjourned.

Voting on Demands.

On the 7TH FEBRUARY the Finance Member submitted certain revised figure of the budget. He then moved the demand for Rs. 3,67,81,500 on behalf of his departments. Several cuts were proposed but all of them were either lost or withdrawn.

Mr. U. Pa, Leader of the Home Rule Party, moved a cut of four lakhs of rupees to be paid as commission on capitation tax collection under land revenue. The mover said that the Government had promised the abolition of capitation and thatamedia taxes within a year. He was surprised to see the two taxes included in the budget estimate for the coming year. Whenever demand was made for the abolition of the taxes, the Government opposed it by asking what substitutes the opposition proposed to introduce. His reply was if the Government practised economy, there would be no necessity of substitutes. He opposed the collection of these two taxes.

The Finance member said that a similar amendment was made last year, but the House did not accept it. Village headmen had to be remunerated in some way for the collection of the taxes. The Government was awaiting the report of the Capitation and Thatamedia Taxes Enquiry Committee appointed to enquire into substitutes for the taxes and until

that report and the Secretary of State's assent to the substitutes proposed were received, it would be futile to ask for abolition of the taxes. The motion was lost.

Discussion on the Working of Reforms.

On the 5TH FEBRUARY the Finance Member's demand for Rs. 2,67,51,500 was put to the House and carried.

The Home Member then asked for Rs. 3,34,74,600 for his departments.

Mr. J. K. MUNSHI, Independent, proposed a cut of Rs. 100 in connection with the demand under "Provincial Legislative Council". Heated debate extending almost over the whole day took place over this amendment and several non-official members, both nominated and elected, representing different parties and interests, as well as several officials, participated in it. Mr. Munshi said the objects of his motion was to raise a discussion on the working of the Reforms and to give the council an opportunity of expressing their opinion thereon. At the outset, he desired to know whether nominated members were sent to the House to vote for the Government, irrespective of personal views. Continuing, he said that during the earlier period of the Reforms, the Government gave all the information the House desired but now with an assured majority the attitude of the Government was changed. That was not the way to work the Reforms successfully. There were occasions on which official members might have refrained from voting; but they did not do so. He instanced the motion for the removal of ex-qualification which was lost. He criticised the Independent and Golden Valley parties for always voting with the Government in spite of the shortcomings of the Government benches. He thought that Burma had no reason to be discouraged and he hoped there would be a return to a spirit of co-operation which marked the working of the Council in the first three years.

The Nationalist leader, Mr. U. PU, said the attitude of the Government in the present council showed that they had no desire to do things the people wanted. The present Government was in reality bureaucratic though apparently representative in form.

Mr. U. PU, Home Rule leader, accused the Government of luring the members of the Nationalist, Swarajist and Home Rule parties to the Government side. He opined if the Government would adopt a spirit of friendly co-operation, many existing grievances would disappear.

Mr. Mahomed AUZAM, member of the Independent Party, opposing said he had heard opposition members saying that they are going into the council to oppose the Government but he had not heard a single member saying that he was going to oppose what was wrong. He was ready for co-operation if he found the proposals put forward were constructive.

Mr. Narayana BAO, nominated labour member said he had no other aim than to do some thing good for the labourers. He repudiated the criticisms made about his change of attitude since he became a nominated member. He thought officials in Burma were more democratic than those in India and Burma had made substantial progress.

Mr. BRANDER, Chief Secretary, said the reason why the Government was unable at times to give the desired information was due to delay in obtaining such information. He assured the House that the nominated members were free to vote as they liked.

Mr. Booth GRAVELY, Secretary, Finance Department, said that the present House was more parliamentary in character, there being a Ministerial party in the House to vote with the Ministers.

After further discussion, the FINANCE MEMBER said that the Government had been accused of non-co-operation, but if the proceedings of the council were considered, it would seem that the Government seized every opportunity not only to co-operate but to work the Reforms successfully. He referred to the formation of many Standing Committees to show how the Government was desirous of co-operating. When the Government opposed the resolution it did so in the best interest of the country. The Government had given way in many instances against better judgment simply to meet the wishes of the people. Comparing the last council to the present one, he said the last council was unreal. For example, one of the Ministers had been the leader of a party which was playing the role of opposition, while in the present both Ministers had their recognised following and were supported by them. Continuing, the Finance Member said that the nominated members voted with the opposition on many past occasions. They never came into the council with a mentality amenable to reasons advanced by the Government. He concluded by saying that the government had been doing its best to serve the interests of the country. The Home Member assented that

every consideration would be given to their grievances. He also explained the attitude of the Government.

Mr. Munshi then withdrew his motion. The Council adjourned till next day.

Home Member's Reference to Revd. Ottama.

On the 9TH FEBRUARY the Council disposed of some of the cuts proposed in the Home Member's demand. At about 4 p.m. members of the Home Rule, Swaraj, and Nationalist parties walked out as a protest against what they regarded to be the slighting reference made by the Home Member against U. Ottama in the course of a discussion over a cut moved by U. Pu, leader of the Home Rule Party.

In moving the amendment Mr. U. Pu said he asked two questions about U. Ottama now in jail. The first one wanted to elicit information about the time of his release and the second to ascertain whether he was in Rangoon jail or elsewhere. The Government reply was that they were not prepared to make any statement on the subject. He could understand that the reason of the Government for not replying to the first one was to avoid demonstration by the public but he condemned reticence of the Government regarding the whereabouts of U. Ottama.

The Home Member, in the course of his reply, remarked that Ottama was one of about 20 to 30 thousand criminals in Jail and it was not possible to keep information of each and Ottama was not such a prominent man as Lord Birkenhead or Lloyd George. This remark about Ottama provoked strong criticisms by several members who spoke highly about Ottama's services and strongly criticised the attitude of the Home Member in his reference to U. Ottama.

Mr. U. Pu, winding up the debate on the cut, said he would leave the Council if the Home Member did not withdraw his remarks. The Home Member, replying, said that the reference he had made about Ottama was nothing extraordinary. He described Ottama as one of the many ordinary prisoners. The mover of the cut said that the Home Member must withdraw his remarks about Ottama. The Home Member could not change his attitude and he did not consider he had done anything wrong or anything for which he could be taken to task.

At this stage, the mover left the Chamber and members of the three parties walked out of the Council.

Continuing the Home Member said it was a matter of opinion whether Ottama was the idol of the country as described by some members. Ottama was convicted for sedition and under "Vinasa" rules any monk dabbling in politics was pseudo-monk. The mover had not waited to hear what the Home Member had to say.

As the three parties left the Council, only three members, Messrs. Campagnac, Rafi and Munshi voted for the cut, while members of the Independent and Golden Valley parties besides officials voted against it. The motion for cut was thus lost by an overwhelming majority. The Council then adjourned.

A People's Party Formed.

After the walk-out the members of Nationalist, Swaraj and Home Rule Parties and some non-party members of the Burma Legislative Council assembled and passed a resolution that in view of the peculiar defects in the dyarchical system of Reforms in Burma and undue advantage thereof by official members as demonstrated by their indifferent and uncompromising attitude in the Council towards the people's representatives and also because of the discourteous remarks made by the Home Member in reference to Rev. U. Ottama, it is becoming imperative that the people's party composed of Nationalists, Home Rulers and Swarajists and some of the non-party Independents be constituted forthwith. It was further resolved that the fundamental principle of this party be the refusal of acceptance of any office in the gift of the Government until the revision of reforms when the position will be reconsidered. An Executive Committee was formed and the leader, deputy leaders and whips were elected.

Discussion of Police Expenditure.

On the 10TH FEBRUARY, discussion mainly centred round the demand for Rs. 1,37,50,000 under the head "Police." The motion for cut was eventually lost by a majority of 30 votes. Members who walked out yesterday attended the Council to-day.

Mr. U. Ba Pu, Nationalist, in moving the cut said that the total police expenditure was the highest so far. The Government point was that the increase was due to their desire to suppress crime, but he was of opinion that more increase in police force would not reduce crime and if the Government looked after the economic conditions of the people, there was no necessity for such high expenditure under this head. Instead of spending money on police stations etc., it would be better to spend money on the poor, to give them

education, to encourage industries, to assist the cultivators financially and to improve public health. These improvements would considerably help reduction of crime. He criticised new appointments of two Deputy Inspectors-General of Police. He referred to the lack of co-operation between people and police and attributed the fault to the latter.

Mr. Brander, Chief Secretary, in opposing the motion, said that the increase in expenditure was not so heavy as described by the mover. He quoted previous years' figures in support of his statement. He added that the increase in the estimates for 1927-28 was partly for the purpose of putting into operation schemes already approved. Some increase in expenditure was also caused by increments in salary. New appointments of Deputy Inspectors-General were created to solve the crime problem and the position in this respect would be reviewed in future. He opined that these appointments would help better detection of crime.

After a number of members had spoken in support of and against the cut, Mr. U. Ba Pe replied urging better village organisation to reduce crime.

The Home Member quoted figures to show that increase in police force has taken place and this he said was necessitated by the increase in crime in the recent past. As regards economic conditions of the people, he said Burmans themselves were responsible for that; for he himself as a Burman knew that Burmans were "the laziest under the sun." He regretted the absence of constructive criticism. The motion as already stated was lost. The Council then adjourned.

Forest Minister's Demands.

On the 11TH FEBRUARY the total demand for Rs. 3,51,74,600 made by the Home Member was carried, all cuts proposed having been lost. The Forest Minister then moved a demand for Rs. 2,26,45,400 for his department. The only cut proposed to-day on the Forest Minister's demand was that by U. Pu, formerly leader of the Home Rule Party, and now deputy leader of the newly formed People's Party refusing the Forest Minister's salary of Rs. 60,000. The motion was debated the whole day and eventually lost.

U. Pu in moving the cut said that he wanted to kill dyarchy by refusing the Minister's salary, because dyarchy was unworkable. The opposition had arrived at this conclusion from the experience gained by the Nationalists after they had worked the reforms for three years. Another intention was to express no confidence in the Ministry because they were puppets in the hands of glorified Under-Secretaries and guided by what the Secretaries thought. He criticised the appointment of the Hon'ble L. Ah Yain on the ground that he was a member of the Chinese community.

U. Ohn Pe, in supporting, complained of the fact that only a few Burmans had been recruited for the Indian Forest Service and been given promotions from Provincial to the Imperial Service.

Both Mr. Auzam and Mr. Munshi opposed the motion and criticised the racial issue raised by the mover. Mr. Munshi also said that nothing would be gained by non-cooperation.

The Forest Secretary, Mr. Cooper, in explaining the principle of recruitment for the Imperial Service, said it had ceased since the Lee Report had been published. Promotions from Provincial to Imperial Service were restricted by the authorities higher than the Minister of Forests.

The Hon'ble Minister, in opposing the motion, said that the mover had stated that his idea was to kill dyarchy and to that end he moved a cut on the demand for Minister's salary; but a similar attempt made in Bengal, he pointed out, resulted in the transferred subjects becoming reserved. The Forest Minister was as good a Burman as any with Burmese names were in the opposition benches. Section 26 of the Government of India Act stated:—"No native of British India nor any subject of His Majesty resident therein shall, by reason only of his religion, place of birth, descent, colour, or any of them, be disabled from holding any office under the Crown in India." After giving his experience as the former Forest Minister, he said the present Minister was also as desirous of doing good to Burmans as he was. He asked wherefrom the mover got the information that the Ministers were puppets in the hands of the Secretaries. They should naturally look to the Secretaries for necessary help as they were trained men. If the present Ministers were puppets, then the leader of the people's Party (U. Pu) must himself have been a puppet as he was a Minister. He concluded by saying that there was no substance in the argument advanced by the mover.

The motion was pressed to division and lost, there being 54 votes in favour of the Government against all as the other side did not go to the lobby.

The President in criticising the members who pressed for division but did not go to the lobby said they had abused the privilege and had shown discourtesy to the Council.

The Council then adjourned.

Deportation of Chinamen.

At question time to-day the Home Member replying to a question said that 147 Chinamen were deported during 1925 and 162 in 1926 under the Foreigners Act from Burma.

Forest Minister's Demand.

On the 12TH FEBRUARY, U. Pu (ex-Minister), leader of the People's Party, referred to the charge of discourtesy made against the members who refused to go to the lobby yesterday and said his party was under the impression that the matter was left to their discretion, consequent on what the Government benches did in September last. The President accepted the explanation and said it was not justifiable to force a division unless there was some reasonable doubt as to the result. Cuts under the Forest Minister's demand were then taken and disposed of, majority being withdrawn after discussion. The total demand for Rs. 3,26,45,400 made by the Forest Minister for his departments was then put to vote and passed.

Education Minister's Demand.

The Hon'ble Dr. Bo Yin, Education Minister, then moved for demand for Rs. 2,60,69,800 for department under his charge. Two important cuts under this demand, one refusing Rs.60,000 for salary to the Education Minister and the other refusing Rs. 5,00,000 for Mergui Seawall and reclamation works were put to vote and lost without division.

Mr. U. Pu, Leader of the people's Party, moving to-day the refusal of the Education Minister's salary, urged the same grounds as he did yesterday in referring the Forest Minister's salary. His further point was that Ministers were unable to act up to the people's wishes as expressed by people's representatives in the Council. So he wanted to kill dyarchy by refusing the salary.

Mr. Narayan Rao spoke strongly on the racial question being raised and opposed the amendment.

The Home Member, in opposing the motion, said if they could not work such simple form of Government as they had they could not expect anything better. It was members of the G. C. B. A. and Y. M. B. A. who formed the opposition in the Council and brought in this dyarchy and it was only the jealousy of India that had led them to have dyarchy which no one claimed to be perfect, but they must prove their ability to govern before they could expect self-Government. The motion was put to vote and lost. All cuts under the Education Minister's demand having been disposed of, the total demand for Rs. 2,60,69,800 was carried and the Council adjourned.

Burma Spinning and Weaving Company.

On the 14TH FEBRUARY, the Council disposed of the three non-official resolutions, one of which was carried, the next withdrawn and the third one lost.

The first resolution moved by U. Kyaw Dun recommended to the Government to take over the whole of Burma Spinning and Weaving Company's properties, both movable and immovable which were under mortgage to the Government in full satisfaction of the loan of Rs. 15 lakhs and the interest due thereon. The Forest Minister, after giving the history of this pioneer industry as a public limited company, pointed out that the company on the 1st November 1926 unanimously passed a resolution which was almost the same as was now before the House. He informed the House that the fate of the resolution would be decided entirely by non-official voting, the Government remaining neutral.

Mr. E. Wroughton, representative of the Burma Chamber of Commerce, expressed disapproval of the motion and associated himself with the remarks made by the Accountant-General who stated that the motion offended against the canons of financial propriety.

The resolution was put to vote and carried without division.

Institution of Land Mortgage Banks.

The second resolution moved by U. Pu, leader of the People's party recommending expeditious of the institution of land mortgage banks was withdrawn on the Forest Minister having remarked that he had been informed that a Bill was in the hands of the Government Advocate who was reconstituting it in the light of the criticism received and the Government was anxious to expedite the matter.

Abolition of Book-Makers at Race Meetings.

The last item of business was a resolution by Mr. N. M. Haff recommending the abolition of book-makers at race meetings throughout Burma. The subject was debated at length, six members supporting and seven opposing it. An amendment was moved by

Mr. J. K. Maung recommending to the Government to ascertain whether the best interests of the public would be served by retention or abolition of book-makers. On the mover objecting that the amendment would negate the resolution, the President disallowed it. The arguments adduced in favour of the resolution mainly were that in racing a clean fraud was practiced on account of book-makers who were sometime bought off by large owners and the dishonesty perpetrated at race meetings brought about privation to many a poor man's home. The mover emphasised that his resolution was directed against this particular system of betting.

Mr. Brander, Chief Secretary, Mr. Booth Gravely, Finance Secretary, and five other non-officials opposed the resolution and generally urged that abolition of book-makers would lead to the springing up of a number of bucket shops all over the town and gambling would go on no less vigorously and under much worse conditions. Messrs. Brander and Wroughton who are stewards of the Rangoon Golf Club with their experience of the inner working of the club said that the allegations against book-makers were not true.

The Forest Minister, in opposing the resolution said that a similar resolution was talked out in the last Council and to-day's discussion did not disclose further arguments in favour of the abolition. He said that the Government was willing to ascertain the desirability of retention or abolition of book-makers in the best interest of the people. The motion was pressed to division and lost, voting being 80 for and 46 against. The Council was adjourned.

Discussion on Non-Official Resolutions.

On the 15TH FEBRUARY five non-official resolutions were disposed of, four of which were of purely provincial interest. The last resolution moved by Mr. M. M. Rafi recommended the appointment of a non-official committee to enquire and report on the drink and drug traffic in Burma in all its aspects including total prohibition. The resolution was lost by a majority of three votes.

On the 16TH FEBRUARY two non-official resolutions were carried without division in both cases the Government refraining from voting. The resolution moved by Mr. S. A. S. Tyabji recommended to the Government that the session of the Council at which the budget was presented and discussed should be restricted to business directly connected with the budget and business that was either formal or of real emergency and that to enable the Council to deal with other business two other sessions should be held in each year. The object of the mover was to have three sessions instead of two as at present. The reason urged by him was that the budget session was held at a time of the year which was the busiest season for members most of whom are interested in paddy trade. Consequently, it was difficult for them to remain throughout the session long as it was, for business other than budget was disposed of at the session. Another reason of his was that members had short time to study the budget. The Finance Member said the Government had always been anxious to meet the wishes of the Council in this matter, but it was difficult to please all. It was a matter for the Council to decide and he wished to hear the views of non-official members on the subject. The resolution had support from several members of the different parties, while only two non-official members opposed it.

The Finance Member then suggested that the best way to settle the matter was to have a small informal committee to suggest to the Governor what month would be suitable for Council meetings. The motion was carried.

Daily Allowance to Rangoon Members.

The other resolution moved by Mr. U. Po Thin representing Kather recommended that a daily allowance of Rs. 20 be also given to members of the Council residing in Rangoon as those who reside out of Rangoon. The motion was also carried. The Council then adjourned.

On the 17TH FEBRUARY which was the last non-official day in the present session of the Burma Legislative Council, Mr. U. Po, Deputy Leader of the People's Party, moved a resolution requesting the local Government to withdraw its resolution appointing a Committee to consider the question of modifying the existing orders regarding the manner of detention of the persons arrested and confined by a headman with special reference to the use of stocks and make recommendations thereon. The resolution also recommended to the Governor-in-Council to abandon the idea of renewal of the use of stocks for the purpose of confinement of the arrested persons. The mover's object was to bring to the notice of the Government the undesirability of the use of stocks. He said it was illegal, barbarous and un-British. Of course, stocks were used by Burmese Kings, but they were not consistent with a progressive Government like the British Government. The late Sir Maung Kyi

condemned the use of stocks. He had no objection to the Government suggesting some other means of detention. He characterized the Committee appointed as farouci, for the only opinion it would hold would be Governmental.

Mr. H. L. Nichols, Deputy Secretary, Home Department, said that the Government had not come to any decision on the matter of the use of stocks and had appointed a committee to obtain advice with a view to coming to a decision. The Government had no intention of using stocks as a means of punishment; but purely as a means of detention of violent drunkards and dangerous criminals. The Committee would carefully consider the views placed before it. It had nothing to do with the question of the legality of the use of stocks. It was a matter for the local Government to decide. The mover's arguments were purely sentimental.

After a long discussion in which several non-official members participated either in favour or against the motion, the Home Member said that on the representation of several headmen who had found great difficulty in checking violent criminals in detention he appointed a committee to enquire into the question of the use of stocks. He instanced cases to show how some criminals though handcuffed could cause injuries to others. He said the criticism levelled against the use of stocks were inopportune, for no decision had yet been arrived at. There was nothing to show that the use of stocks was illegal. The Stock Committee were composed of men with administrative experience. He pointed out that as Home Member he was responsible for law and order.

The resolution was lost by 28 against 41.

Burma Cotton Weaving Industry.

Mr. S. A. Tyabji moved that this Council views with great concern the rapid decline of the cotton weaving industry of Burma and urgently recommends to the Government to support the industry by making it incumbent on all departments of the Government to utilise cloth only such as may be manufactured in Burma (exceptions to be specially sanctioned by the Government). Mr. Tyabji said that as Industries was a transferred subject, the Ministry should spend more time and energy in their development. He quoted figures to prove that cotton industry was on the decline in Burma, but the Forest Minister and the Development Commissioner produced other sets of figures to dispute the mover's statement. Mr. Tyabji challenged the accuracy of these figures, stating they were not figures for cotton weaving industry alone.

The Finance Member, leader of the House, explained the policy of the Government in respect of the purchase of stores which was that they would give preference to locally manufactured goods, provided they were good in quality and prices were reasonable.

The resolution was lost without division. The Council then adjourned till next day which was the last day of the present session.

Transaction of Official Business.

On the 18TH FEBRUARY motions for additional and supplementary grants amounting to Rs. 6,25,800 required by the Finance Member, the Home Member and the Education Minister were carried. There were two official bills on the agenda, the Burma Oilfields Amendment Bill and the Burma Municipal Bill. The former was passed and the latter referred to a Select Committee.

The Oilfields Bill.

The object of the Oilfields Bill, the Finance Member said, was to facilitate the maintenance of law and order in oilfields during the strikes and other periods of emergency by conferring on the warden prohibitory powers regarding carrying of weapons and doing acts which constitute preparations for or incitements to the commission of a breach of the peace. Several non-official members, mostly from the People's Party opposed the Bill, particularly criticising the provision prohibiting public exhibition of persons or of corpses or figures or effigies and singing of songs or playing of music. The trend of the remarks was that this piece of legislation was a direct challenge to whatever liberty the labourers still enjoyed in the oilfields.

The Finance Member, replying, said that the provisions of the Bill were identical with certain provisions of the Rangoon Town Police Act. No voice was raised against such powers exercised by the Commissioner of Police in Rangoon. There was no general prohibition of carrying of corpses and of singing of songs. It has been distinctly stated in the Bill that prohibiting powers would be exercised by the warden only when necessary arose. The Bill was carried after division, the result of voting being 45 against 28.

The Burma Municipal Bill.

The Hon'ble Dr. Ba Yin next introduced the Bill to consolidate and amend the law relating to Municipalities in Burma other than Rangoon. He said the Burma Municipal

Act of 1898 was in many respects unsuited to the existing administrative and political conditions. The object of the Bill was to bring the law into close harmony with them. On his motion, the Bill was referred to a Select Committee.

The Council was then prorogued.

The New Council.

On the 19TH FEBRUARY, Sir Robert Giles presiding, the election of the new President took place in the new Council which met on this day.

There were two nominations for the presidency, Mr. Oscar De Gianville, Leader of the Independent Party and Lieut.-Col. U. Ba Ket (Rangoon University). The President explained the procedure to be adopted and the Council proceeded with the election which resulted as follows:—Mr. Oscar De Gianville 57 votes, Lieut. Col. Ba Ket 38 votes.

Mr. De Gianville was elected President.

Governor's Appreciation of Sir R. Giles's Services.

His Excellency sent the following message of appreciation:—

"I take this opportunity of expressing my high appreciation of the services rendered by the Hon. Sir Robert Giles as President of the Council. He has long occupied a unique position in the public life of the provinces and I believe that I am expressing the general opinion when I say that he has presided over the Legislative Council with rare ability and impartiality and that he has zealously maintained the privileges of the Council. It is very great regret to me that Sir Robert Giles is soon to leave Burma."

The Finance Member, in reading out the above message, paid an eloquent tribute to Sir Robert Giles who looked much moved at these tokens of appreciation.

The Finance Member said: "I venture to think that in the message His Excellency has expressed the sentiments of all the members of the Council."

"When the presidential chair fell vacant on the death of your distinguished predecessor, Sir Frank McCarthy, you were clearly marked out for his successor. You have fully maintained the high standard which he set and have more than justified the hopes which were entertained on your appointment. You have presided over our meetings with dignity. You have guided our debates with firmness and fairness. You have shown indulgence where indulgence was appropriate and you have reproofed when reproof was due. Under your supervision the reforms and procedure of the Council had been established on sound lines and the introduction on your initiative of the Mace has added authority to its proceedings. We shall miss your familiar figure within these walls. We venture to express the hope that when you are asked how the infant Council comported itself under your guidance you will feel able to say that it made good progress and that in respect of decorum of its proceedings and behaviour of its members within this Chamber the Council has nothing to learn—at least nothing that is desirable for it to learn from other legislative bodies of which you have knowledge or even from the mother of parliaments herself."

Eulogistic tributes were then paid to the retiring President, Sir Giles, by different parties and other members. Mr. U. Fu, ex-Minister and leader of the People's Party said he was voicing the feelings of his party when he begged himself to be associated with the sentiments expressed by the Finance Member. He said that they found the President firm and fair and his judgment in deciding questions of procedure at the spur of the moment had given the Council entire satisfaction.

Mr. De Gianville, President-elect, said it was with regret they would say goodbye to him. He need not enlarge on the sentiments already expressed, but he would like to say that the members of the House and people outside felt that in losing Sir Giles they were losing a man whose loss would be felt by the Rangoon University also, with which he has so long been associated. The country would also lose Lady Giles who had done a great amount of good to the country in connection with many charitable works. He extended good wishes on their departure and hoped they would not forget them.

Messrs. Campagnac, Raff and Patch having spoken, Sir Robert Giles thanked the members for the kindly sentiments expressed by representatives of various parties in the Council towards himself and his wife. He said:—My term of office as President had been a time of absorbing interest for it has given me opportunity of assisting in moulding the procedure of the Council during earlier years of its life. I thank you sincerely for your unflinching support and ask you to continue it with my successor whom you have just elected. I welcome the new stage of the Council's sitting that begins with the election of Mr. De Gianville as your President. I shall watch the future life of the Council from a distance with intense interest in the confident hope that whatever function and whatever

powers may from time to time be entrusted to the Council it will continue to cherish them with that orderliness and dignity which have hitherto prominently characterized it.

The members then shook hands with Sir R. Giles and the Council adjourned for a short while.

Congratulations to the New President.

When the Council resumed its sitting, Mr. Oscar De Glanville, the newly elected President took the chair.

The Finance Member read out His Excellency the Governor's message conveying his approval of Mr. De Glanville's election to the presidential chair.

The Finance Member said: "As the leader of the House, it is my privilege and pleasure to tender the sincere congratulations of the official members on the signal distinction which has been conferred on you. To-day is a landmark in the history of reforms in Burma, a landmark also in our successful career. The probationary stage of the Council is at an end. For the first time, it has exercised the right to select its own President and you have reason to be proud that its choice has fallen on you. It is a good omen for the continuance of Burma within the British Empire that the first elected President of her Legislative Council is an elected representative of the European constituency. It is a happy augury for Burma's early attainment of Home Rule within the Empire that the first elected President is a son of Ireland. But if you owe allegiance to Ireland as the country of your birth you owe higher allegiance to Burma as the country of your career. We welcome you to your high office as a Burman in the fullest and truest sense of the word. You have identified yourself with the interests of your adopted country. You have taken an outstanding position in her affairs political and from the first you have been recognised as the leader of moderate views in this Council. No member of the community has done more than you to work the reforms in the spirit in which those who framed them intended that they should be worked. If Burma occupies a high place, perhaps the highest among the provinces of India which have made a successful start on the journey to Home Rule within the Empire, it is due in no small measure to your wise counsels, to your obvious sincerity and to your unwearied efforts to secure the working together of representatives of diverging interests.

"The European constituency was fortunate in its choice of a representative and although by your elevation to the presidential chair that constituency loses an active spokesman in the Council. It will have the proud satisfaction of knowing that constituency's loss is the Council's gain. Henceforth you belong to no party. You belong to the Council and we are confident that your tenure of high office will be marked by the same tact, same fair-mindedness and same courtesy as you have shown in your capacity as party leader; that you will protect the interests of minorities and that you will suffer no encroachment on or diminution of rights and privileges of the Council."

Concluding, on a personal note, the Finance Member said: "I am deeply grateful to you and I know that my humble colleagues in the Government share my gratitude for the devoted service which you have rendered on various committees of the Council since the inauguration of the reforms. Our best wishes go out to you for your success in your high office and I for one venture to express the hope that when the life of the present Council comes to an end its successors will follow the example of mother of Parliaments, of the Indian Legislative Assembly and of other Councils in India and re-elect you without opposition as its President."

Several speakers then followed in welcoming him and congratulating him on his election to the chair making eulogistic references to his ability and services.

Mr. U. Pa, leader of the People's Party, in welcoming him on behalf of his party said he agreed with the Finance Member with all he said except the constitutional point on which he disagreed. He hoped he would uphold the dignity and tradition of the House.

Mr. Champagnac congratulated the President remarking that he had risen high by his own personal merits and expressed the hope that he would hold the scales even and that the House by common consent would re-elect him in future.

Mr. Rao, in congratulating him, said the honour was heightened by the fact that the President was placed on the chair by suffrages of the majority of the House. He remarked that the bar would be poorer by his election but it was a gain for the Council and wished him every success. Mr. Narayana Rao also spoke congratulating the President.

Mr. De Glanville then thanked the members for the high honour conferred in electing him as the first President and for kind sentiments expressed by members. He assured the House that he would try to discharge his duties to the best of his abilities.

The Council was then prorogued.

Proceedings of
Congress & Conference.
Jan.-June 1927.

The Kerala Provincial Conference

The Third Kerala Provincial Conference assembled at Calicut on the 16th April 1927 in the afternoon in a very spacious and elegantly decorated pandal erected for the occasion. There was a very large and representative gathering and great enthusiasm prevailed. The proceedings commenced with some national songs by a choir of girls.

Welcome Address.

The following are extracts from the Welcome Address of Mr. K. Madhavan Nair, Chairman of the Reception Committee. After welcoming the distinguished delegates and visitors Mr. Nair dwelt at length of the communal problem and said :—

"If Kerala was the Province which gave the first impetus to the non-cooperation movement by dispelling, under the lead of Mr. Yakub Hussain, the fear of the terrors of jail from the minds of our workers, it was also the first to deal a deadly blow to it by renewing, as a result of the rebellion, in a new but bitter and dangerous form, the Hindu-Muslim feud which appeared to have been almost crushed out of existence by the Khilafat movement inaugurated by Mahatma Gandhi. This fact is my excuse and justification for referring to a topic which of all the problems connected with our fight for Swaraj is the most vital and baffling and which, the collective restraint of all our leaders, more than their collective intelligence will alone ultimately solve. I do not ignore or minimise the gravity of the suspicious and distrustful attitude of the generality of the Hindus towards the Mahomedans and the desire for the spread of Islam and the establishment of a Mahomedan supremacy which the more ignorant and fanatic among the Mahomedans betray at times. These are facts which some of us have learned from our bitter experience of the Rebellion, but we can safely assert that this mentality, however deplorable it is, does not assume dangerous form except in a state of anarchy or under other exceptional circumstances.

"In normal condition, the relationship between the masses of both the communities is peaceful and cordial and it is perhaps only once in a century that a general collision takes place between the two communities as a result of the dormant feelings of distrust born of religious hostility. The real danger which makes life intolerable and impedes the march to freedom does not proceed from the masses but from a section of the leaders of both the communities whose intelligence and imagination impart to the most trivial incidents and differences an importance and magnitude which such incidents or differences neither possess nor deserve. In no part of India, ever since the dawn of British Rule in the country have the Hindus and Mahomedans come into such horrid conflict and on such large scale as they did during the period of the Malabar Rebellion and yet none who knows Malabar after 1922 could believe that the two communities, whose mutual relationship at present discloses nothing but absolute peace and cordiality

behaved more like brutes than men, against each other within such a short distance of time. The communal feud ended as suddenly as it began, because it was not abetted and blessed by cultured leaders or perpetuated by them through controversies on the platform and the press. The two organisations, one Hindu and the other Mahomedan, whose workers belonged to the Punjab, the nursery ground of communal feud in India (for whose relief work, Malabar will ever feel grateful) carried the seeds of bitterness and dissensions from Malabar into the congenial soil of Northern India where it was taken up by communal leaders and made to grow into such proportions that we in Malabar, who have long ago forgotten our feud, are amazed to see the wild and luxuriant growths of communal animosity that have sprung out of them. In Malabar such quarrels began to rear their heads, after the Rebellion ended, between people living outside the rebel area, but they were nipped in the bud by an amount of restraint, patience and tolerance, which have brought home to us the truth that hatred is never conquered by hatred but only by love and forgiveness. How much one kind word, one expression of sympathy, one act of liberality, touches and softens the mentality of the opposite side is illustrated by the happenings during the Assembly Sessions at Delhi this year and if only that section of the leaders who believe and perhaps believe bona-fide that their duty to their community is greater than their duty to the country follow up the example of Lala Lajpatrai and Mohd. Yakub as manifested in their speeches in the Assembly, I am sure we shall enjoy life more peacefully and reach our goal of Swaraj more speedily than we ever dreamed of. The agreement to a joint electorate is the first step in the right direction towards the consummation of our fond hopes of political unity, and I implore both the Hindus and the Mahomedans of our Province not to say or do anything, however unwillingly, which may be calculated to frustrate the noble attempts at rapprochement made by our leaders at Delhi.

No Programme of Work before the Country.

"With regard to the other questions of All-India importance, I shall leave them alone as I do not think they fall legitimately within the province of a speech of the Chairman of the Reception Committee. I may be permitted simply to say that the lull and inaction in political activities is not confined to Kerala alone but is an unfortunate feature of the other Provinces as well, though perhaps it is not so striking there as in Kerala. There is no programme of work before the country new into which people of a political turn of mind can plunge with enthusiasm because the constructive programme of Mahatmajee appeals only to those who have absolute faith in the doctrine that khaddar will bring Swaraj and the Council programme is at best only of negative value and gives work only to those that enter them. It is a matter for consolation that a unanimity is being reached among all sections of political opinion, that khaddar is an indispensable adjunct of nationalistic activities, but this does not signify that people are prepared to accept khaddar as the only outlet for the political fire and spirit that burn within them. The no-changer may quarrel with the mentality which refuses to appreciate and follow the teachings of Mahatmajee but the fact is there and no exhibition of spleen will or can undo it. People differing from the no-changers' view hoped to find some satisfaction in their work in the Council but any one who has been there will testify to the fact that of all the devices that a foreign

is ingenuity has discovered to divert the energies of a recalcitrant race through the fustiest of channels this is the most wonderful and Of course, by your entry there you exclude those whom you consider enemies of progress. But at the same time you not only achieve nothing there but run the risk of falling that pervades the atmosphere making you forget at times even the elementary idea why you are there for. Of course, in the absence of any better plan, we have to abide by and follow the Congress policy of Council-entry and try to make the very best of a very bad bargain.

The Tenancy Question.

"If of all the Indian problems, the Hindu-Muslim relationship is the most vital, the one problem that exercises the mind of the people of Malabar, most relates to the question of the relationship between the landlord and the tenant. In Cochin and Travancore where the rulers and the ruled have greater affinity with each other than in British Malabar, this question has been to some extent satisfactorily settled. For 50 years now, the Government has been 'considering' the question, issuing Commissions, collecting evidence, receiving reports, preparing bills and throwing them all into the waste paper basket and still we are told that the Government wants another Committee, to consider the question again.

"I am not one who advocates radical or revolutionary change in land reform and I don't think the generality of the tenant population in Malabar do want such changes. Occupancy right to the cultivating tenants and protection from arbitrary eviction and Melobarth as regards other classes of tenants is the demand made by the moderate section of it. A legislation that regulates the relationship between the jenmis and tenants will be a boon to a very large section of the Jenmies as well. In many parts of Malabar, the impecunious Jenmi is at the mercy of the recalcitrant tenant against such of whom as have effected improvements of large value, he is quite powerless to enforce his legitimate claim for renewal fees without costly and protracted eviction suits. A legislation which secures a summary method of realising rent and renewal fees to the Jenmi and protection from arbitrary eviction and Melobarth to the tenant and regulates the rate of such rent and renewal fee will be productive of happiness to the Jenmi and the tenant and permanent good to the land.

"Before I conclude, I must refer to one matter which compels the people of Kerala hide their head in shame on account of the inhuman and disgraceful treatment they accord to their brethren known as "Theendal" castes. The sanctity of the higher castes including Nair is measured in this land of Kerala by the distances which their unfortunate brethren have to keep from them and which in different cases vary from 15 ft. to 500 ft. This is a land where not only touch and proximity pollutes but even sight.

"Another question which is peculiar to Kerala and which deserves our earnest and urgent attention is the reform of the Marumakkathayam system of law that prevails here. The Nairs, Thiyyas, Moplahs and other communities that follow the Law labour under various disabilities and are bound down by customs quite out of joint with modern ideas and conditions. A change has become highly necessary and it is for the Conference to give a lead to the country in this matter. The problem has been solved in the neighbouring States of Cochin and Travancore and an accidental and

unfortunate division of Kerala into three different political units has been in this case too responsible for the continuance of such evils in Malabar. Though the question will have to be solved by us separately, there are various other matters which only a consolidation of Kerala into the political unit can solve and though it is not possible to prophesy what is in the womb of future for Kerala, attempts must be made early enough, whenever practicable, to unite in all possible ways and for all common purposes. It is some consolation to the Congressmen of Kerala that they have striven in however humble a way to fight against the abominable evil and well may they congratulate themselves for the successful termination of the Vykom Satyagraha. Time has wrought remarkable changes in the mentality of the orthodox section but the evil is there and we require many more stalwarts to fight against the demon and root out the evil from our province. Let us hope that a time will soon come when as a result of earnest endeavours and spread of liberal ideas, we shall be able to hold our head aloft and proclaim to the world that in this beautiful country of ours, it is not only nature that is kind and charitable but also man".

The Presidential Address.

The Presidential Address of Mr. B. G. HORNIMAN was delivered extempore. After thanking Mr. Madhavan Nair and the delegates of the Kerala Conference for the honour they had conferred upon him by electing him as President of that Conference Mr. Horniman said :—

"I just want to refer briefly here in this connection to another matter which is closely related to it and that is the outrageous plan of colonising the Andamans with Moplahs and the questionable method (to use a mild expression) which have been used to force such an unpopular and repellant proposal on an unwilling people. I desire to say nothing as to the motives of those, who are responsible for this but I earnestly hope that not only the members of the Moplah community but the members of all communities in Malabar will do all they can to resist this monstrous proposal from being carried further into effect."

Referring to the Malabar Tenancy Bill, Mr. Horniman said that there could not be a more scandalous instance of the unrepresentative character of the Government in this country, its lack of sympathy with popular grievances and demands and its indifference to the economic needs of the people. "Here we have a system of land tenure and tenancy which is *prima facie* wrong in principle, differs from that prevailing in other parts of the country, notoriously causing great hardship to those real producers of the nation's wealth, the tillers of the soil, by placing them at the mercy of hereditary owners who like the lillies of the field toil not neither do they spin. Moreover, this system has been condemned again and again by committees of enquiry appointed by Government itself." He then traced the history of the various enquiries conducted by officers and committees appointed by the Government since 1881 which had all reported recommending occupancy right to the cultivating tenants and said, "Thus we come to the year 1925 when a measure dealing with the question in a very moderate way was introduced in the Legislative Council by a non-official member and went through all its stages and was finally passed. Lord Goschen saw fit to veto the measure on the advice I suppose of the Law Member, Sir C. P. Ramaswami Aiyar. How the Governor of Madras can reconcile this with his

conscience and the responsibility he bears to the people over whom he has been appointed to govern passes my comprehension. What ever else may be said about the Reforms Scheme it is not mitigated as we see day after day by such instances of the irresponsibility of Governors and bureaucrats who are still teaching the people the value of responsible Government and the urgent need of it not by giving by instalments but by the example of irresponsible Government which they themselves are continually practising."

The next Congress.

"I think Madras is to be congratulated on having the honour of being the venue of the next Congress. A Madras man is the President of the Congress and we are looking to him to give the country a strong lead, a programme of uncompromising resistance to foreign rule in whatever form it is offered that will be consolidated and unanimously sponsored by the representative of the nation when the Congress assembles in the city of Madras next December. The national movement has receded lamentably during the last two years and there is much ground to be recovered. Indeed a fresh start must be made. There is only one way to succeed in politics especially in a great struggle for national freedom. Once you have adopted a policy and programme, stick to it, stand by it in fair weather and in foul. If we allow ourselves to be turned aside into other paths by every obstacle we meet or by the specious invitations of our opponents to consider the attractiveness of some weakening compromise, we can never expect to attain success. It seems to me that no sooner do we get started along a straight path than all sorts of so-called leaders to whom we have trusted begin to fall out on the way, discovering various kinds of reasons why they do so and why they should give up the programme that has been laid down. The result of the abandonment, or to be strictly accurate, the suspension of the non-co-operation programme, was the demoralisation of its followers. But I want to say this for myself because I have been accused of having personal antipathies. I want to say that I have no personal feeling in regard to any of the leaders of the Indian national movement to-day; but I do feel strongly when I see men who have been trusted by the rank and file with the mandate of the Congress which carried the considered decision of the national voice of India when I see them instead of performing that duty turning aside into other paths doing something against the policy and programme which has been authorised by the National Congress.

Dangers of Council-Entry Programme.

Adverting to the dangers of the Council-entry programme, the President said "We see now that those dangers are very real dangers indeed and have actually produced the result that we feared they would produce. We find the Swarajist party in the Indian Legislative Assembly, instead of carrying on a strict policy of uncompromising non-co-operation and obstruction, carrying on a policy of following a mode of conduct which to my mind friends, is nothing less than actual co-operation with the system of Government which they wanted to abolish. It is the most deplorable thing that while the mandate of the Indian National Congress very clearly laid upon the Swarajist party, that is to say, the Congress party in the Indian Legislative Assembly the duty of obstruction and especially the duty of throwing out the finance bill, we find the Congress party in the Legislative Assembly actually, or at any rate the leaders of the Congress party

in the Assembly, giving orders to their followers that the reading of the Finance Bill is to be allowed to be passed without a division. I say it reflects very great credit on those younger members of the Congress party in the Assembly who were more loyal to the Congress mandate, refused to accept that order to disobey the Congress mandate, and insisted upon the division against the third reading of the Finance Bill being taken. I want to say here from this platform that what has happened recently in the Assembly and in some of the Councils is a greatest betrayal of the Congress mandate.

"In the Madras Legislative Council where the hopes of the country had been so highly raised by their wonderful success at the elections we find there again the mandate of the Congress being defied and betrayed by actions which, whether directly or indirectly, at any rate, result in the support of the Ministry, a thing which they were definitely instructed by the Congress that they must not do. I have been reading in some papers this morning reasons put forward for us on behalf of the Congress Party in the Madras Legislative Council for the action that they pursued and I am told that they were faced with the prospect of either the Justice Party being put into office or of a dissolution and they thought that it was not to run the risk of either. My friends, it does not matter what they were faced with, it does not matter what danger they thought was before them, what would be the results of the consequences of their action.

"If they have had any misgivings at all about it, there is the way open to them and to all of us when we cannot carry out a mandate and that is to resign their seats and to say that they are unable to carry out the mandate that has been confided to them."

"Now I want to draw your attention to this. We have arrived at a stage when it seems to me that we are going to be faced with the question of whether we are going to continue to stand for the principle and practice of non-co-operation or whether we are going to admit failure and abandon the policy and programme that we pursued during the last seven or eight years, and agree to a policy of co-operation. Because there is no alternative between the two, there can be no compromise between co-operation and non-co-operation, no matter what adjectives you may use because they are two absolutely contradictory and different principles. Now why did the country adopt a policy of non-co-operation, why after striving for years and years in the path of co-operation with the foreign rulers did the whole country as by the stroke of a magic wand suddenly come to the conclusion, and the right conclusion, that so long as they co-operated and compromised their political serfdom, so long as they acquiesced in political slavery, so long could there be no hope that the country would ever be free."

"If India wants to be free, no matter whether in the immediate future or no matter how long it may take to achieve freedom, if India wants to be free—a free and self-respecting nation among the peoples of the world—that can only be by the steadfast pursuit of the uncompromising determination not to co-operate with the foreign Government in the imposition of foreign rule on the country."

"I ask you whether there is to be seen any encouragement in the attitude of the British Government at this moment to justify us in departing in any way in the smallest degree from the rigid programme of non-co-operation that we had hitherto pursued. Is Lord Birkenhead offering any

sort of generous gesture that would encourage us to believe that he means seriously to give the country anything that is worth having if he gets the co-operation for which he is always asking? He quotes Lord Chelmsford as saying that autocracy in India is dead. But it is dead neither in India nor in Whitehall. This twentieth century ex-Lord Chancellor will continue to inflict on India the wicked methods of the Chamber rule of the 17th century in England, methods which led to the dethronement and execution of a king when they were practised on Englishmen in those days. He refuses to release the Bengal detenus. Indian troops are sent to China without reference to the opinion of the Indian legislature which is refused permission even to discuss the question. Is autocracy dead? India's elected representatives by an overwhelming majority rejected the one shilling six pence ratio but it is forced on the country by the official block voting to the order of the Government. Is autocracy dead? India's elected representatives reject the army vote as a protest against the monstrous burden of military expenditure for imperial purposes. It is restored by the certificate of the Governor-General. Again, we ask, is autocracy dead? India's elected representatives reduced the salt tax, the most hated burden of the Indian people. It is restored by a second chamber which cannot claim to be in any way representative and the Viceroy was ready with pen in hand to restore it again if the Assembly again rejected it, as he had the power to do so. Again, I ask, is autocracy dead? Such instances could be multiplied indefinitely. The talk of autocracy being dead is a cruel mockery and cruel jibe at the helplessness of the Indian people. Lord Birkenhead knows that autocracy is not dead. The central feature of the Montagu reform scheme was to ensure its survival. I ask you, are we going to give up the policy of non-co-operation? I have no doubt that so far as this conference is concerned the answer which Lord Birkenhead will get will be uncompromising adherence to the policy of refusing to co-operate with him and his Government until they come to their senses.

"Overhaul Congress Machinery."

"Now there are two things that I want to put before you for your consideration to-day. One is a consideration in view of the matters that I have discussed, the consideration of the programme and policy which the country is to pursue in the near future. The other matter which I want to put before you is the urgent need for making the machinery of the Congress constitution a really democratic and national machinery instead of the unsatisfactory machinery that it is at the present moment."

After describing certain alleged irregularities in the procedure of the last Congress at Gaubati Mr. Horniman pleaded for a thorough overhauling of the machinery of the Congress for the purpose of ensuring the election of all its bodies to Provincial Congress Committees to the All-India Congress Committee and the Working Committee of people who really represent the voice of the nation, the rank and file of the Congress. He said: "It would take a very long time, ladies and gentlemen, to go into the whole of that matter in detail at present. All I am going to suggest to you this afternoon is that you should give your support to the proposal for an enquiry in order thoroughly to overhaul the elective machinery and constitution of the Congress in order that it may be made a genuinely democratic body."

The Conference then adjourned (to meet again on the next day the

17th April when the resolutions as drafted by the Subjects Committee on the previous night was discussed and passed. The following are the text:—

Resolutions.

(1) This Conference fervently prays to God that Mahatma Gandhi may soon be restored to health and be enabled to continue his work.

(2) This Conference while appreciating the enthusiasm evinced by all classes of people in subscribing towards the Khaddar Fund appeals to them all to help the national movement further by taking to spinning and habitual wearing of Khaddar.

(3) This Conference places on record its sense of profound loss the country has sustained in the death of Swami Shradhananda and calls upon the people to carry on the great national work he was doing as the fittest tribute to his services and sacrifices for the country.

(4) This Conference congratulates the Maharani-Regent of Travancore on her liberal and courageous action in stopping the barbarous practice of sacrifice of animals and singing of obscene song carried on in the name of religion and urges upon the Maharaja of Cochin and the owners and trustees of temples and the public generally to follow the lead of the Maharani-Regent.

(5) This Conference condemns the action of the Government in persisting in the Andamans scheme in callous disregard of the dictates of humanity and justice and in utter defiance of public opinion and calls upon the people to continue the agitation against the said scheme till the Government finds itself compelled to give up the same.

(6) This Conference heartily sympathises with the people of China in their struggle for freedom and places on record the sense of humiliation and resentment of the people of this country at the action of the British Government in compelling India to be a party to their unworthy imperial adventure in China.

(7) This Conference requests the A. I. S. A. to do its best to improve hand-spinning and khadi-wearing in Taliparamba, N. Malabar, which is a cotton-growing locality and also the M. L. C.'s of Cochin to move the State to do the needful in the matter of hand-spinning in the cotton-growing localities of the Chittur taluk where the art of spinning has gone out of fashion only a decade or two ago.

(8) This Conference is of opinion that strenuous attempts should be made to organise peasant labourers and depressed classes all over the province and to bring about their social and economic prosperity.

(9) Untouchability and unapproachability.

"This Conference earnestly appeals to the people of Kerala entirely to do away with the custom of unapproachability and untouchability and appeals to all Hindus not to exclude any Hindu from any temple, tank, well or road on account of his caste or class."

(10) Mr. M. P. Narayana Menon's Case.

"This Conference solemnly declares its emphatic faith in the absolute innocence of Sri Man M. P. Narayana Menon and records its deliberate opinion that in continuing to keep him in jail, the Government is guilty of an act of gross injustice. This Conference is further of opinion that the terms recently offered to him by the Government are an insult to the public and merely a ruse to avoid satisfying their demand for his release."

(11) Amnesty to Rebellion Prisoners.

"This Conference considers it essential in the interests of justice as well as economy that general amnesty of rebellion prisoners should be declared or at least of those who have not been found guilty of acts of violence."

(12) Non-Co-Operation against Oppressive Feudals.

"This Conference is of opinion that legislation giving fixity of tenure to the tenants of Malabar is essential in the interests of the economic, social and political advancement of the district and condemns strongly the action of the Governor of Madras in voting the Malabar Tenancy Bill. This Conference is further of opinion that the Committee of Enquiry contemplated by the Government is superfluous and a device to delay legislation or if possible to shelve it altogether and urges upon the Provincial Congress Committee to organise a campaign of non-violent non-co-operation against oppressive Feudals until a properly framed bill removing the grievances of the tenants has been passed into law."

(13) Congress Party in the Madras Council.

"This Conference strongly condemns the action of the majority of the Congress

party in the Madras Council in refusing to vote down the salaries of the Minister as a betrayal of the mandate of the Congress and urges upon the A. I. C. C. to take steps to prevent a repetition of such action."

(14) Congress and Native States.

"This Conference recommends to the All-India Congress that the Indian National Congress do henceforth actively participate in the internal affairs of Native States and that the Congress constitution be altered if necessary to this end."

(15) Communal Distress and Jealousies.

"This Conference calls upon the Hindus and Mussalmans alike to make a determined effort to put an end to communal distress and jealousies by adopting the suggestions to give up communal electorates."

(16) Congress to Capture Local bodies.

"In as much as the work of the Municipalities and local boards throughout Kaira is unsatisfactorily carried out, this Conference resolves that all municipalities and local boards be captured by the Congress and that Congressmen be put up for election to these wherever possible."

(17) Future Policy of the Congress.

(a) "This Conference reaffirms the principle of non-co-operation as the basis of the policy of the Indian National Congress and urges that there should be no departure from the strict principle of non-co-operation in any way whatsoever.

(b) "This conference regrets that the Congress representatives in the Indian Legislative Assembly and some of the Councils have betrayed the mandate of the Congress and calls upon the A. I. C. C. to demand from such representatives an explanation of the Congress and to take steps to ensure that, in future, the mandate of the Congress should be carried out both in the Assembly and in the Councils.

(c) "This Conference is of opinion that the time has come for the reconstitution of an active programme of non-co-operation in the country and urges the appointment of a Committee of the A. I. C. C. to consider and report within three months such a programme of non-co-operation as will lead the country by stages to the culminating stage of mass civil disobedience.

(d) "This Conference is of opinion that recent events have shown the constitution and the machinery of the Indian National Congress to be defective and in some respects undemocratic, especially in regard to the machinery for carrying out the elections of various committees and urges that in all such elections the principle of secret ballot should prevail and that a regular and unanimous procedure in this principle be instituted for all such elections and it calls upon the Working Committee of the A. I. C. C. to take necessary steps to place an amendment and expansion of the present constitution and rules before the next session of the Congress for these purposes.

(e) "This Conference is strongly of opinion that the better organisation of the peasant and workers is essential for their due representation in the Congress and to enable them to play their part fully in the national movement for the attainment of Swaraj as well as the amelioration of their own conditions. For the protection of their rights and the assurance to them of their rightful share in the wealth of the country of which they are the producers, this Conference calls upon the Working Committee of the A. I. C. C. immediately to take the necessary steps by appointing workers and peasant organisation Committees to carry on without delay the work of such organisation."

(18) "Complete Independence for India."

"In the opinion of this Conference, the time has come to define the creed of the Congress as complete independence, and this Conference recommends to the Indian National Congress that necessary alterations to this effect be made in the Congress creed."

President Thanked.

Mr. U. Gopala Menon then in a short speech expressed their deep debt of gratitude to the President for coming down from the distant Bombay and presiding over the Conference. He wished a day would come when they would have more men like their worthy president to work for their political salvation.

After a short thanksgiving speech by the President the Conference terminated.

The Bengal Provincial Conference.

The little village Maju about 20 miles from Howrah was astir on Saturday the 16th April 1927 when the Bengal Provincial Conference commenced its sitting at Deshabaudhu Palli. The proceedings commenced with the singing of the national song 'Bande Mataram', the whole house standing.

Dr. Nandi's Welcome Address.

This over, Dr. P. Nandi, Chairman of the Reception Committee read his welcome address.

In welcoming the delegates, Dr. Nandi said that what they wanted more than anything else at the present moment was to restore India to the position she had lost. In order to secure independence for her it was essential that nationalism should be remodelled. Every Indian should think that, although their manners and customs might be different, they all belonged to one and the same great nation. The greater the number of communities the less was the chance of salvation. An insult to one ought to be regarded as an insult in all the others; and nationalism would only be built up when every Indian would respond equally to all endeavours for the welfare of the nation. The present Conference was an instance in point. There might, however, be those who did not sympathise with such movement; and it was only when they would be able to apply themselves heart and soul to endeavour of this kind that nationalism and independence would be regarded as having been established. The goal would be reached only when the country would learn to value public opinion, at least the opinion of the majority. This, in fact, was the foundation stone on which the edifice of nationality could be built.

Dr. Nandi dwelt at length on the two most important political questions of the day, namely, the split in the Congress camp and the existing Hindu-Moslem relations, and emphasised the need of physical culture and female education. He regretted the action of some of his countrymen, who were well-known for their patriotism, in standing aloof from the affairs of the nation and concluded that the time had come when they should come forward and guide their misguided brethren in the work of national reconstruction.

President's Speech.

The President then rose amid prolonged cheers and shouts of "Bande Mataram" and delivered his Presidential address.

"Unite, carry the message of charka to every cottage, take to the boycott movement. This will be the right challenge to the bureaucracy who are keeping our youngmen in prison without trial," said **Sri Jogindra Chandra CHAKRAVERTY** in course of his lengthy presidential address. Deploing the schism in the Congress camp in Bengal and the communal quarrel he appealed to the good sense and patriotism of all to sink their differences

and to give a united fight to the bureaucracy who might be rejoicing at their discomfiture to gain their own ends. By their quarrel they are losing their hold on the people and the congress its prestige. He expressed the hope that members of both parties would attend the Madras conference and as a result of their joint deliberation would evolve a new congress organisation to take to the work of the nation with renewed vigour and enthusiasm.

"About ten days ago" said Sj. Chakraverty, "a request was made to me to accept the presidentship. I was at first unwilling to undertake the task in view of the prevailing atmosphere but I felt that every humble worker in the cause of the country ought to make his utmost endeavour to see that due to differences the work of the conference might not be frustrated. With this end in view I undertook the responsibility which Mr. J. M. Sen Gupta has not ventured to accept. I feel it has been an act of great hazard for me but it would have been unjust to see the efforts of the Reception Committee go for nothing. I have full confidence that with the blessing of the Almighty and help and co-operation of friends I shall be able to discharge my duty under a most difficult situation with satisfaction to all.

Bengal's Woes.

Referring to the woes and worries that are afflicting Bengal and the problems that confronted her at the present moment the President said :— "The communal question which has assumed such serious proportions and which is oppressing men and women of Bengal attracts our foremost attention. The ugly and unseemly scenes that were enacted on the streets of Calcutta about this time last year had their repercussion in the mofussil, have converted the whole Bengal into a veritable pandemonium. Hindus and Moslems had lived together for the last 800 years in villages in bonds of fellow-feeling and brotherhood with no question of music to disturb the serene tranquility of the villages and to-day mutual hatred, intolerance and suspicion is driving the nation headlong into ruin. From the excesses committed it appears that the dream of the Hindu-Moslem unity has vanished like a phantom. Is there no hope of reunion between these two communities? I beg of you, brother Hindu and brother Moslem, do not shatter our dream of establishing Swaraj in the land through the united efforts of Hindus and Moslems. Hindus and Moslems might be obsessed with a nightmare for the time being, but I have full faith that they will come to realise their follies very soon and the fact that for their self-preservation they will have to make up their differences themselves.

Moslems and Congress.

"I have to note with great regret that the Moslems as a part and parcel of the Indian nation have practically cut off their connection with the Indian National Congress. The organisation which has been reared up as a result of 40 years' sincere efforts of the best minds and brains of the country can alone direct us the way towards freedom. When a nation steeped in woes of age-long slavery feels the stirring of a new life of freedom within itself it cannot be expected that everyone will take the same route in the march towards freedom. But if the Moslems think that they are to strive for their own freedom independently of Hindus and the Hindus think likewise, this mentality should be knocked on the head as soon as possible. Seven years ago, at the call of Mahatma Gandhi, Hindus and Moslems vied with each other

in furthering the work of the Congress but things have changed since then. It is natural that our trustees—the bureaucracy who are keeping us under subjugation at great pains—cannot look upon the Hindu-Muslim Unity with favour. These differences are strengthening our trustees and giving them delight. I beseech you, brother Hindu and other Moslem, forsake this suicidal policy, come under the banner of the nation hand in hand and take up the proposals made by the All-India Congress Committee and the atmosphere of suspicion and distrust will vanish in no time "

Wrongful Detention of Patriotic Youths.

The President then strongly criticised the Government policy regarding detention of youths of Bengal without trial. Such detention, he said, was possible only because we were weak. The statement Lord Birkenhead made in Parliament the other day was an insult to India and it was possible only in a country like India. The Secretary of State for India in defending the policy of indefinite detention in jail declared that these youngmen would be confined in jail so long as the present political atmosphere of Bengal had not changed and even the semblance of revolutionary movement was not remembered. But what hope was there when it depended on the report of the C. I. D. police who would never say that danger was over. The secret of it all is that unless these flowers of the nation was shut out from public activities there was no chance of throttling the Swaraj movement which the bureaucracy was always seeking to do by all means. With brute force at their back the bureaucracy can pass any legislation they chose to curtail the birthright of the people. The Indians they say can bark but cannot bite. Had Indians been strong all these would have been a thing of the past.

Stand against Exploitation.

"We have accepted Mahatma Gandhi as our political Guru but we have failed to take up in right earnest the means suggested by him for the attainment of our goal—means which he has suggested as a result of long service in the cause of the country: Foreign domination is based on exploitation, pure and simple. It is possible to stand against this policy. Remedy lies in the spread of Charka and Khaddar but unfortunately we have not as yet been able to fully appreciate this invaluable message of Mahatmaji. Had we been able to work out this message even partially British merchants would have realised that Bengalis have strength".

In the memorable words of Deshbandhu Das the President said: "The great answer which I want to give to the bureaucracy to-day is boycott of foreign cloth. This is the answer which I want to give to the bureaucracy. It not only demolishes their claims but at the same time builds your national life in a manner which nothing else can do. Those who do not spin must look to the organisation of spinning. Those who do not weave must look to the organisation of weaving. And if we all work hard and do our little, the least that anybody can do, I feel sure that within a short time you will encompass the boycott of foreign cloth. And that day is the beginning of our freedom. That day will be the foundation of our salvation. That is the gospel which I always preach."

Utility of Charka.

"As long as the Bengalees will live they will carry this message. Where is that organisation which Deshbandhu urged so repeatedly! Have the Com-

grass committees in Bengal made any sincere effort towards the spread of Khaddar? Have they been able to do even one hundredth part of what the Khadi Pratisthan and Abbot Asram have done? Let us then rectify our mistake. Let us take to the boycott movement in right earnest and carry the message of the Charka into the cottages of the poor. I feel the problems of Hindu-Muslim unity, reconciliation among Congress workers, of untouchability and other items of the Congress programme can be profitably solved by the introduction of Charka and Khaddar". The President then made several suggestions in which village reconstruction work can be conducted and health, prosperity and bounty can once more be brought back to the ruined villages of Bengal.

Peasants and Labourers.

"We have to explore wherein lies the woes and agonies of the peasant and the labourer. Congress will become powerful only when the peasant and the coolie will themselves be able to carry the flag of the Congress. The story of the woes of the Hindus and the Mussalmans is the same and village work must form the meeting ground of the Hindus and Moolana. Many think that the establishment of Hindu Sabhas and Tansim Committees in the land will cause harm to the country as being communal institutions. Communal interest has no quarrel with the larger interest in the country. We have been unable to make up our differences because we were not able to lead our respective communities on proper channels".

The Council Programme.

Referring to the Council programme the President said that he did not think that the Council was the only programme of the Congress. The President continued: "When we find that Government ride roughshod over the feelings of the Council members by disregarding their opinions, that members are allowed only to express their opinion on the budget without having any power to fix the amount for any item and that resolutions supposed to be in the interest of the country which are accepted by the Council after discussion are not binding on the Government, we cannot but conclude that it is useless to remain in the Councils. But there is another aspect of the question which can not be ignored. The Government want that any act before it is passed into law must be accepted by the Council where some members represent Government whose duty it is always to vote for Government. Legislation accepted by the Councils can be paraded before the world by Government as having been accepted by the representatives of the people. We should not allow Government to do this. It is to foil this trick on the part of the Government that Congress wanted to capture the Councils. In the words of Deshbhandhu, the President said, "I have said over and over again that the Council does not give you Swaraj but the Council is at the same time an institution which works against you. You must remove that obstruction in order to get Swaraj from it. But you must get Swaraj by your own activity." The Council is not the only programme of the Congress. Nor do we hope to do any substantial good to the country by leaving the Councils. During the first three years of the Reforms when the Councils were boycotted by the Congress, men could be found to enter them with the result that Council proceedings went on unhampered. Our leaving the Councils can be supported only when men are not fit to contest the election"

Concluding, the President made a fervent appeal for unity and in the name of St. Subhash Chandra Bose and other unfortunate youngmen of Bengal who were rotting in jail he implored the leaders of all parties and communities to unite on a common platform of service to the nation forgetting all petty differences and take up the true work of the country in right earnest.

Resolutions.

The following are the full texts of the resolutions passed at the Bengal Provincial Conference held at Maju on April 16 and 17:—

(1) This Conference places on record its sense of the irreparable loss the nation has sustained by the tragic death of the brave and noted patriot Swami Shradhdhananda, who dedicated his life to the service of his country and espoused with fearless devotion the cause of the lowly, the fallen and the weak.

(2) This Conference records its sense of deep sorrow at the untimely death of Krishnajibon Sanyal and sympathises with the bereaved family.

(3) That as a measure of effective protest against the continued detention without charge and trial of a large number of our countrymen (under the Bengal Criminal Law Amendment Act and Regulation III of 1918) this Conference urges the adoption and vigorous pursuit of a programme of intensive boycott of all British cloth and also of all such British goods the like of which are produced in India or obtainable in any other country other than Britain.

(4) This Conference regards handspinning and handweaving as an essential programme for constructive work and requests all Congressmen and public to spin and wear Khadi. It further recommends the Bengal Provincial Congress Committee to form a Khadi Board for helping the provincial work and carry out the Gauhati resolution.

(5) (a) This Conference, while deploring the virulence of communal outbreak in various parts of Bengal makes a solemn and earnest appeal to all Congress members and Congress workers to hold before their vision the ideal of Hindu-Muslim unity, to work incessantly and strenuously for the promotion of better understanding between the two great communities as far as possible, to keep aloof from all sectional and communal movements which tend to keep alive the present tension and always and everywhere to act as messengers of peace, good-will and a spirit of humble compromise.

(b) This Conference deplores the serious loss of life that took place at the village Kulkati on the 22nd of March last as the result of an order to open fire upon Mahomedan crowd given by Mr. Blandy, the District Magistrate of Barisal and while reserving final judgment upon the necessity or otherwise for giving such order, this Conference emphatically urges that a full, open and impartial enquiry should be held into the matter, and this Conference would request the B. P. C. C. to appoint a non-official commission for that purpose.

(6) This Conference urges on the B. P. C. C. the appointment of a conciliatory Board of equal number of members from both the communities

of Hindus and Moslems to settle communal quarrels and look to the re-establishment of friendly relationship between the two communities. The Board will tour in the localities where trouble is apprehended and establish a conciliation board there.

(7) This conference strongly condemns the culpable delayed negligence of the Government in the matter of re-introducing their Bengal Tenancy Amendment Bill and urges that a Bill should be introduced at the next Session of the Bengal Legislative Council when among other things will make provision for the following:—

(a) Transferability of occupancy holdings upon payment of a minimum amount of selami by way of Landlords' fee.

(b) Recognition of the tenants' right to cut trees, big tanks and erect guesa structures upon the Zeminder's land.

(c) Maintenance of the status quo as regards bargadars bag tenants and Karts of under ryots.

(8) This conference declares that the country will not consider any scheme of taxation for education until and unless the proceeds of such taxation and the policy of Primary Education is completely vested in the popular control.

(9) The conference requests the B. P. C. C. to arrange publication for the information of the public of reports at least every three months regarding the grievances, health and whereabouts of the political prisoners in Bengal.

(10) (a) The conference urges appointment of an enquiry committee and organisation of relief for help of those needy families who had suffered or are suffering in the hands of the Government in their struggle for the country's freedom and (b) urges starting of relief fund for help of such sufferers.

(11) In view of the fact that an honourable settlement between the two disputing Congress parties cannot further be delayed without serious harm to the cause of the country, this conference resolves that the leaders of both parties in consultation amongst themselves should fix a date within the 30th of April to meet once again to discuss and settle the lines of an effective compromise between them and requests Sj. Jogendra Chandra Chakravarty, the President of the Provincial Conference at Maju, to take all necessary steps in the behalf.

(12) This conference urges upon the Bengal Provincial Congress Committee immediately to appoint a strong and representative committee in order to enquire into the origin, administration and the present position of the Village Reconstruction Fund which was Deshbandhu's last and most striking legacy to his countrymen.

(13) This conference while it dissociates itself from and disapproves of the military policy of British Government to send troops from India to fight against the Chinese people, congratulates the young China and the Chinese nation on the recent success and assures them of the sympathy and good-will of the Indian people in their hour of peril.

The All-India Hindu Mahasabha.

The tenth session of the All-India Hindu Mahasabha opened at _____ on the 16th April 1927 and continued for the next two days under the Presidentship of Dr. Moonjee. Three hundred delegates and about 1,300 to 1,400 visitors attended. Madras and Bombay were unrepresented. Those present on the platform besides the President and the Chairman of the Reception Committee included Raja Narendranath, Lala Lajpat Rai, Mr. Rajendra Prasad, Mr. Gouri Shanker Misra, Hon'ble Mahendra Prasad, Mr. S. Sinha, Mr. Deviprasad Sinha, Mr. Sheopat Gupta, Mr. Jagatnarain Lal, Sri Gurumukrai Swami, Swami Satyadev and Pandit Madan Mohan Malaviya. Mr. P. Ray Chaudhuri, Secretary, Hindu Sabha, Glasgow, cabled sympathy and a donation of £3-10s. for the Shradhanand Memorial Fund. Raja Rampal Singh, Mr. Bhagwandas, Mr. C. Vijayaraghavachariar, Sir J. C. Bose and the Hon'ble Mr. B. Chakravarti also sent messages of sympathy.

A dozen Akalis holding swords went about the pandal shouting Jai Jai and Sri Sat Akal.

At 4-30 p.m. the President-elect accompanied by the Hon'ble Mr. Ganesh Dutt Singh, Kumar Gangadand Sinha, Maulvi Abdul Bari, Messrs. Jairamdas Daulatram and others entered the pandal and was warmly applauded. A Vedic chorus was then led followed by Hindu music. Kumar Gangadand Sinha, Chairman of the Reception Committee, then delivered his welcome address.

The Welcome Address.

In the course of his address the Chairman pointed out in brief some of the urgent problems that must engage the serious attention of the Hindu Sabha. He first of all dealt with the importance of Sengathan, Shudhi and removal of untouchability and referred to the Patnakhali Satyagraha movement and urged the Hindu Mahasabha to take up that question in its own hands. For, if it was not taken up by that body, there was the danger of that movement being ultimately crushed, but before doing so the Hindu Mahasabha should enquire into and judge of the situation from all points of view.

Proceeding he deprecated and condemned the communal riots that had taken place in the country in recent times.

Regarding the question of joint electorates the speaker pointed out that the Hindu Sabha had to consider that question seriously with considerable far-sightedness. He was glad that the Mussalmans prompted by a spirit of nationalism had agreed to the joint electorates but the Hindu Sabha had to consider the various conditions from the larger interest of the Hindu public. There could be no greater achievement if real unity would be effected between Hindus and Mussalmans.

He also referred to the case of Kharg Bahadur and urged the Hindu Sabha to express its opinion on that case as also to devise means to stop this blot of traffic in girls.

The Presidential Address.

Dr. B. S. MOONJEE then delivered his speech extempore in Hindi. The following is a summary of his address :—

He referred at length to the Mahomedan conquest of Hindustan and to the methods adopted by the Mahomedans in converting people whom they conquered in Afghanistan, Kashmir and Bengal. By their slow process of conversion, Mahomedans had been able to make up their minority in Bengal into a distinct majority reacting on Hindu conservatism. He pleaded, therefore, for a more liberal outlook on the part of the Hindus in matters such as re-admittance of those Hindus who had been converted to Islam under compulsion, better treatment of women ravaged against their will and a more humane and considerate treatment of untouchable classes. The treatment meted out to them by the so-called higher classes of Hindus was helping to swell the ranks of Muslim population in India. He had no doubt in his mind as to the unfitness of Hindus, in their present helpless plight, against a sister community's aggression, to wreck British rule and earn and maintain Swaraj. Continuing, he referred to the Mahomedan organisation to convert the Hindus by instilling the idea into every Mahomedan's head that it was a virtue to get at least one kaffir converted to Islam and asked what steps the Hindus proposed to take to prevent depletion in their numbers. Dr. Moonje then proceeded to discuss at length the question of the removal of untouchability and differentiated between what he termed temporary untouchability from a hygienic view-point and permanent untouchability handed down from father to son. He condemned in strong terms the latter disability which was welcomed by Mahomedans for purposes of getting these disabled men into their own fold. He then quoted a number of Sanskrit texts from the Dharma sastras and other Hindu scriptures to prove that there was no meaning in the perpetuation of caste differences and in permanently disabling a certain section of the society by the institution of untouchability. Pleading for an effective reconstruction of Hindu society, the President urged the withdrawal of many a social custom such as the ban on sea voyages, the ban on inter-marriage and inter-dining, etc. He would remind his hearers of the ancient rule, namely, that by the process of education and learning the lowest could rise to the highest. He then appealed to the Hindus to support the Suddhi and Sangathan movements in which alone their salvation lay if they desired to save themselves from disintegration.

Joint Electorates.

Continuing, Dr. Moonji referred to the Hindu-Moslem relations of to-day as a perpetual civil war and said that the communalism of Mahomedans was very much encouraged by utterances of Hindu Congressmen. Analysing the causes of communal relations, he said that, while the Hindus, although fired by great ambitions, were weak in physique the Mussalmans with a better physique had shown a better instinct for politics and higher independence of thought. He charged the Moslems with having imported religion into the purely political movement of non-co-operation thus leading to a wave of pan-Islamism. To this mentality he attributed Raja Ghasnafar Ali's proposed amendment to Mr. B. Das' resolution reiterating the National Demand in the Assembly. That showed that the Mahomedans were unwilling for the extension of Reforms without separate electorates. For this reason the speaker paid an eloquent tribute to Sir Sankaran Nair for his resolution in

the Council of State recommending the suspension of any extension of Reforms until the Hindus and Mahomedans agreed to work in a joint electorate. This opened the Mahomedan eyes with the result that Mr. Jinnah formulated his Delhi offer of a settlement. The President then analyzed Mr. Jinnah's Bombay interview in which he had said that the settlement must be accepted or rejected wholesale and averred that, taking these conditions critically, the implications that arose from Musselman conditions were (1) that responsible Government would be to the benefit of the Hindus; (2) that, if the advent of Swaraj was delayed by the folly of Hindus or Moslems, the latter did not mind if the present system benefited Britishers at the expense of both Hindus and Mahomedans; (3) that the system of joint electorates generally accepted to contribute to the growth of nationalism and dissipation of communalism was regarded by the Muslims as something bad which, however, they were prepared to accept if a sufficient price was paid by the Hindus; (4) that a Hindu who is more eager for Swaraj must pay the price demanded. Calling this a retaliatory competition Dr. Moonjee shuddered to think what would happen to India if ever the Hindus were to be infected with this virus.

Necessity of Sangathan and Buddhi.

The President then dwelt at length on the discussion of the Hindu-Muslim unity. He observed that the moment the Hindus said Swaraj could not be attained without Hindu-Muslim unity, that unity became a marketable article and all laws of economics concerning demand and supply immediately came into operation on it. This unity was to his mind a valuable commodity appearing very real and worth having till the price was paid when it assumed the form of impalpability and intractability. Moslems cared not whether there was or was not unity. Examining from another point of view he said that the Hindus numbered twenty-three crores and Moslems seven crores and both had to live under the rule of a race hardly five crores in strength and having its home more than 5,000 miles away. Yet that race had established an empire. Still the Hindus were assiduously taught that until the other seven crores in India joined them it was impossible to establish Swaraj. Physically, intellectually and commercially an individual Indian compared favourably with a Britisher but the difference lay in that the latter was more highly organised while Hindus were disintegrated. Swaraj attained through internal organisation was everlasting and he would therefore urge that for a Hindu situated as he was Swaraj was encompassed in his Sangathan and Buddhi and the more he concentrated his energies and resources on accomplishing these appreciably, the nearer would be the advent of that Swaraj which should be a pride to possess. It could be looked at from still another point of view. The struggle for Swaraj dated as far back as the defeat of Prithviraj after many successive wars. When the Hindus tried to regain and realise their Swaraj they were advised either to adopt Sangathan and warfare or ease and comfort. Such of them as adopted the latter became Mussalmans beginning to trace lineage from Mahomet Fuzgamber himself and proving that all religions led to the same goal and embraced Islam, while others more manly and more self-respecting risked their life and prestige by their assertion. To the latter category belonged Raja Pratap, Guru Govinda, Shivaji. In regard to the argument that Swaraj was impossible without Hindu-Muslim Unity he said that the road to unity meaning Swaraj bifurcated into two lanes, one of ease

and comfort and the other of struggle and worry. By travelling along the bylanes and merging into the Islamic community radical and permanent unity was attainable, but if one must follow the traditional and thorny path of his forefathers he must whole-heartedly concentrate on Shuddhi and Sangathan. Relaxation of orthodoxy and tearing of sentimentalism were the two elixirs toning up the Hindu muscles.

Lucknow Pact—A Blunder.

As to the Hindu reply to the Muslim offer he would say that he had never been a believer in pacts and concessions in bringing about Hindu-Muslim unity. He believed in straight and fair laws of the realm for the administration of the country and open competition for Government favours and shares. Those, who having survived the prescribed test, were qualified ought to get shares, while others might step aside until their preparation was complete. His whole nature revolted against the introduction of any kind of communal representation in the elective bodies of the country. There had never been any experience of any community in India, however small, not having got its due deserving share in the administration of the country and the patronage of the Government compatible with its competency. After instancing the cases of Christians and Parsis in this respect, he asked why Mahomedans need not follow their example. The Hindu history never showed an instance of the tyranny of majorities; on the other hand the behaviour of Moslems towards Hindus in Malabar, Kohat, East Bengal and Larkana was proof of their tyranny. The Hindu was steeped in the policy of "live and let live". He was therefore decidedly of the opinion that Hindus should never accept that communal instinct. They should leave Moslems alone in their present mentality to think and act as they pleased but they must give them a solemn assurance that there ought to be no fear of any possibility of the Hindus exercising tyranny of the majority in any shape or manner. If the Moslems were unsatisfied and declined to join hands with the Hindus to put forward a united demand before the Statutory Commission, the Hindus must do so of their own accord leaving Moslems free to try their best and get what they wanted from the Government. "Let the Hindus be firm and stern in their opposition", declared Dr. Moonje, "and let us be wise over the bitter experience of the blunder, though committed in good faith and with best intentions, of the Lucknow Pact. Despite the fear that even that might prove another blunder he would agree in a spirit of compromise with the Hindu legislators' decision at Delhi recently under Pandit Malaviya's presidentship. After quoting the resolution passed at the meeting Dr. Moonje went on to say that the Hindus should never accept the reservation of seats for the Muslims in excess of the proportion and should remember the lesson that the Muslim bloc in the Assembly taught in respect of the Ratio Bill and Imperial Preference. As for redistribution of Provinces, he wanted to make it absolutely clear that the Hindus were satisfied with the present distribution and could never agree to redistribution on the principle of manufacturing a majority in population for one community or another.

Concluding, Dr. Moonje remarked that if they left the Muslims severely alone the Muslims themselves would realise the folly of seapartation and communalism and might eventually come to feel that it should be to their and Indians' interest if they veered round and merged into Indian nationalism for the common good of India which connoted communal prosperity also.

Resolutions.

Following are the full text of the resolutions adopted at the 10th session of the All-India Hindu Mahasabha held at Patna. They have been rendered into English from the original Hindi :—

(1) This Mahasabha places on record its sense of indignant regret at the murder of Swami Sradhanand. The Mahasabha looks upon his activities with honour and respect and places on record its sense of profound gratefulness for the same and feels that as his every day life was a life of sacrifice in the cause of the uplift of the Hindu race his death likewise may be a source of great impetus and strength to the sacred cause for which he has sacrificed himself. This Mahasabha earnestly impresses upon the Hindus that they should push on the work of shudhi and sangathan and removal of untouchability, for which Swamiji lived and died with such vigour and strength that none may dare again commit an atrocious crime like the murder of Swamiji.

(The resolution was put from the chair).

(2) This Mahasabha appreciates the heroic spirit of self-sacrifice displayed by that brave Nepalese youth Kharag Bahadur on the cause of keeping inviolated the sanctity of our womanhood and urges upon the Governor of Bengal to exercise his prerogative of mercy on him.

(Proposed by Babu Padamraj Jaid and seconded by Swami Vicharananda.)

(3) This Hindu Mahasabha urges upon the Hindus in general to fittingly celebrate the tri-centenary of Shivajee which falls on the 3rd of Baisakh and special arrangements should be made to study and remember his heroic deeds on that day throughout the country.

(Put from the Chair).

(4) In order to infuse fresh life and energy into the Hindu race, this Mahasabha urges upon all branch sabhas and other Hindu organisations to fittingly celebrate every year the festivals consecrated to their national heroes like (1) the birth anniversary of Lord Budh, (2) Rana Pratap (3) Guru Gobind Singh (4) Bir Benda Vairagi (5) Shivajee and (6) Swami Shradhanand.

(Proposed by Mr. Srihari Bajpai and seconded by Baba Guruditt Singh).

(5) This Mahasabha heartily appreciates the work of Hindu Missions in Bengal and impresses upon every Hindu the necessity of their being ever ready to help in every possible manner the work of the propagation and advancement of the Hindu religion.

(Proposed by Pandit Nekiram Sharma and seconded by Swami Satyanand).

(6) This Mahasabha expresses its appreciation of the judgment of the Madras High Court in the case relating to the free use of public roads by all classes of people in Kalapahari, wherein they (the High Court) declared that the King's high ways are open to all. The Mahasabha further impresses upon the Brahmans of South India, that in view of the present circumstances round them they not only concede the right of free use of roads to all but should treat the untouchables in a humane manner so that they may not be compelled to become converts to other religions. The sabha further urges the leaders of South India to discharge their duties in this connection.

(Proposed by Babu Anand Priya).

(7) This Mahasabha looks upon the Chinese as their brothers for they (the Chinese) are the followers of Buddhism which formed but an integral part of Hinduism. This Mahasabha therefore wished early termination of the civil war that the Chinese people are engaged in at the present moment and expresses dissatisfaction at the attempt of the foreigners in that land to crush the new Chinese spirit of independence and assertion and protection of their rights.

(Put from the Chair).

(8) This Mahasabha regrets that the system of Begar is still in existence and is ever on the increase every day. The Government should therefore draw attention of their officers to this and stop them taking Begari.

(9) The Khasias, Bhils, Kols and other tribes formed but part of the Hindu community both from the point of religion and civilisation. But all the same they have been classed as Animists in the last census reports and thus they have been excluded from the Hindu community. This Mahasabha therefore urges upon the Government that in the next census they should be classed as Hindus.

(Put from the Chair).

(10) This Mahasabha strongly protests against the imposition of Punitive Police tax upon the Hindus of Pabna as also against the imposition of tax for giving compensation to the Hindus who have been looted by and suffered at the hands of the Musulmans in the villages and urges upon the Government to withdraw the same.

(Proposed by Babu Madan Mohan Burman and seconded by Babu Ananga Mohan Dam).

(11) In view of the fact that participation in conducting musical processions along the King's highways and public thoroughfares which are the inherent right of every citizen generally and the religious rights of Hindus particularly and that right has been recognised by the Privy Council, the highest court of Justice in the British Empire, this Mahasabha is pained at and emphatically condemns all attempts that are made by the executive authorities curtailing and circumscribing this right of the Hindus by improper use of powers given under the Police Act and the Code of Criminal Procedure for meeting temporary exigencies of situation. Under the circumstances the Hindu Mahasabha calls upon the Hindus to insist upon free and unmolested enjoyment of this right and considers it justified. (a) This Mahasabha therefore congratulates the Hindus and Satyagrahis of Patuakhali on their taking a bold stand in the matter of insisting on free and unmolested enjoyment of their religious and civil rights of conducting musical processions along public thoroughfares and maintaining the struggle practically single-handed so long and with such commendable determination and calls upon all the Hindu Sabhas particularly of Bengal to render to the movement every legitimate support. (b) That in view of the fact that the Hindu Satyagrahis of Patuakhali have been and are carrying on their Satyagraha for the preservation of their well-established rights in a manner thoroughly peaceful and constitutional and that disturbances of public peace are caused by the members of other community, this Mahasabha condemns the action of the Bengal Government in deciding to realise punitive police tax from the Hindus.

(Proposed by **Sj. Hariah Chandra Vajpay** and seconded by **Sj. Satindra Nath Sen**).

(12) This Mahasabha strongly condemns the kidnapping of Hindu women and boys by Mussalman Goondas in this country, particularly in Bengal. It has been increasing every day particularly in North Bengal. The Mahasabha therefore urges upon the Hindu leaders of the Hindu Mahasabha in Bengal the necessity of their collecting particulars about these atrocities and submit the same to the Hindu Mahasabha. They should also take steps to stop these atrocities in an organised manner by forming associations of their young men for that purpose, as also they should take every step that these Goondas received due sentence whenever there was a case before a court of law. This Mahasabha impresses upon the Hindus in general to organise bands of volunteers in every town and villages to protect the Hindu women and children and save the Hindu community on other occasions as well. This Mahasabha urges upon the Government also the necessity of making sufficient arrangements in East and North Bengal and where these atrocities have become so common as also the desirability of not having Mussalman Police officers in those areas as far as possible.

(Proposed by **Mr. Deshbandhu** and seconded by **Prof. Gopi Chand**).

(13) The next resolution asked the high caste Hindus to allow free access to the untouchables to schools, temples and wells and declared that in the opinion of the Hindu Mahasabha a Hindu of any rank was better than a non-Hindu under all circumstances from both religious and social standpoint. The resolution was proposed by **Pandit Neki Ram**, and duly seconded.

(14) This Mahasabha looks upon the condition of the Hindu widows with concern and resolves that (a) such arrangements should be made for the education of widows in their homes or in Ashrams as may enable them to appreciate the ideals of 'Sati Dharma' and live the rest of their lives in an honourable manner. (b) That the disrespectful treatment on ceremonial occasions in Hindu household meted out to the widows should be done away with. (c) That suitable steps should be taken to save them from going astray and from the clutches of the followers of other religions.

(Proposed by **Pt. Nekiram Sharma**).

(15) Another resolution moved by **Pandit Ramchandra Dwivedi** expressed its disapproval of the proposal to make Hindi and Urdu both compulsory at certain stage in schools in Behar.

(16) The most important resolution moved by **Mr. Jai Ram Das** on behalf of the Chair ran as follows :—

(1) While reaffirming the resolution passed in the session of the 8th Hindu Mahasabha in regard to the principle of communal representation, the Mahasabha is prepared to consider any proposal for the settlement of political differences between the Hindus and Muslims with regard to representation in the legislatures.

(2) (a) In view of the facts that the Muslim community as such has not endorsed the proposals made by certain Muslim leaders assembled at Delhi in March last and has, on the contrary, in several places expressed its disagreement; (b) that even according to the manifesto issued by the Muslim leaders, the said proposals are liable to be rejected by the Muslim organisations referred to therein and (c) that **Mr. Jinnah** has stated that the said

proposals can only be accepted or rejected in toto without modification; the Mahasabha feels that it will serve no useful purpose to express any definite opinion at this stage on the proposals as a whole.

(3) The Mahasabha deprecates any attempt to constitute new provinces or legislatures for the purpose of giving a majority therein to any particular community. In the opinion of the Mahasabha the question of the creation of new provinces should be considered, if necessary, independently of any proposals and exclusively on their merit.

(4) In view of the fact mentioned above, the Hindu Mahasabha is of opinion that the matter is not ripe for discussion and consideration by the All-India Congress Committee. In the opinion of the Mahasabha any discussion on the part of the All-India Congress Committee at this stage will be premature and harmful.

(5) In view of the fact mentioned above the Hindu Mahasabha, however, suggests the following principles as the basis for discussion:—

(a) Mixed electorate for all legislatures; (b) Reservation of seats for a definite period of time to be agreed upon by parties in all legislatures on a uniform basis of representation, such as population, voting strength or taxation; (c) Uniformity of franchise in each province. (d) Constitutional safeguards for religious or quasi-religious rights and customs.

The Mahasabha calls upon the Working Committee to sound various sections of the Hindu community in different provinces on the question and formulate definite proposals and discuss them with Muslim leaders and report its conclusions to the All-India Hindu Mahasabha for ratification.

(Put from the Chair and passed unanimously without any discussion).

After passing three other minor resolutions the proceedings of the Mahasabha came to a close.

The All-India Khilafat Conference

The annual session of the All-India Khilafat Conference commenced at 11 a.m. in Kifah-i-Am Hall, Lucknow on the 26th February 1927. Considering the All-India character of the meeting attendance was meagre as there were hardly more than 600 people in the hall. Most of the prominent Khilafatists were, however, present. Proceedings commenced with recitations from the "Quran" followed by the "ghazal" specially composed for the occasion.

Maulana Abdul Majid Deryabadi, Chairman, Reception Committee, read a very interesting and instructive address welcoming the delegates to the historical place where the Khilafat organisation was first started. Discussing whether the existence of the Khilafat organisation was now needed, he very ably defended its existence, from religious and other aspects. He described the past activities of the organisation and remarked that it was willing to co-operate with all other Muslim bodies for the welfare and progress of Muslims. He exhorted Mussalmans to be up and doing unitedly with full vigour.

THE PRESIDENTIAL ADDRESS.

After the reception address, Maulana Shaukat Ali informed that the President-elect being unwell, Maulana Shafi Daudji would temporarily

preside. Maulana Abdul Majid Badayuni seconded. Maulana Shafi briefly asked the delegates to enforce the resolutions with full vigour. Mr. Haji Haroon's printed address was then read by Mr. Abdul Rahman, Editor, "Al-Wakeel". The address dealt with pan-Islamic and Indian activities, appealed to the Mussulmans to be united in the policy about Hedjaz and submit to the correct policy of the Khilafat Committee. About India, the constructive programme greatly stressed economic and social Muslim betterment, and urged Hindu-Muslim unity. While regretting Swami Shradhdhanand's murder, the address asked Hindus not to blame the whole community for an individual's irresponsible act and appealed to the Hindus to respect the just claims of the Muslims and not to view their efforts to better their condition as antagonistic to non-Muslim interest. Finally, the address asked the Hindus to respect the Indian Muslim States in the same way as the Muslims respect the integrity and honour of the non-Muslim Indian State. When the Muslims fully sympathise with Nabha and Indore, they expect similar treatment from the Hindus and Sikhs.

After the presidential address was over, the meeting dispersed to meet again on the next day, the 27th February when the Conference was converted into "The World Muslim Conference, Indian Branch."

Maulana Shaukat Ali announced that the president-elect, Hakim Ajmal Khan could not come on account of the illness of the Nawab of Rampur and proposed Dr. Ansari of Delhi to occupy the chair. He dwelt at length on the services of Dr. Ansari in this cause and said that he was the most suitable man for presiding over their deliberations.

Dr. Ansari on assuming the chair delivered an extempore speech. Referring to the World Muslim Conference just constituted he said that naturally it might be asked that such an organisation was likely to clash with the Khilafat Committee but a cursory perusal of its aims and objects would assure everyone that it was neither antagonistic nor parallel to Khilafat. The aims and objects of the organisation were to have a common public platform for the Indian Muslims of all shades of opinion and it would have nothing to do with the Indian affairs and would deal with Pan-Islamic matters and try to make a common cause with the Muslims of the whole world. The Khilafat Committee on the other hand was a political organisation of people of definite ideals and such Muslims as were unwilling to join the political organisation should not hesitate to join the "Motamar".

Continuing the President said that no doubt they were Muslims but they should not forget that they were Indians first and last and always and as such they should give up communal mentality and bear in mind that communal leaders, be they Messrs. Lajpat Rai and Malaviya or Sir Abdur Rahim or Jinnah, were not friends of India. This communal mentality was responsible for all the bloodshed and riots that had greatly perturbed the national life of the country. He, therefore, appealed to them to have nothing to do with communalism but try their utmost to liberate their country.

The President then asked Mr. Shwaib Qureshi to read the draft constitution of "Motamar" which is the Urdu equivalent of the organisation.

The Conference then effected some minor alterations in the constitution which was read.

The Conference was then adjourned in the afternoon when speeches were delivered and the remaining work of the Khilafat Conference completed.

All-India Women's Conference.

The First All-India Conference of women was opened at Poona in the afternoon of the 5TH JANUARY 1927. It was the climax of a series of women's conferences held in various parts of India during the past few months and was the outcome of the effort to co-ordinate their work and formulate lines of advance on all fronts, especially educational. Delegates from all parts of India attended. The Rani Sahib of Sangli, Chairman of the Reception Committee, in her address, said that women's education had passed through all stages of total apathy and indifference, ridicule and criticism and the time was, therefore, ripe for further advance wherein women might help in formulating the basic principles of educational policy and programme. It would help the Government if women themselves declared what they should have their children taught. They would be able to clearly say what was wanted by women and she believed that the Government would welcome such effort on the part of the women of India. Whatever the policy and plan of female education laid down by the Conference as a result of the discussions, she was emphatic that Indian culture, Indian tradition and all that was best in the past of Indian womanhood would have to be preserved and secured in any future scheme.

The Maharani of Baroda's Address.

The presidential address of the Maharani of Baroda was a stirring call to action. "A few decades saw the curse of 'suttee' removed from our land. With a like determination these social evils can all be overcome," she declared after a brief review of the many social practices retarding women's advance. "Women of Turkey broke from these bonds; so can we." It was pleasing, the Maharani continued, to watch the signs of general awakening in the public mind throughout the country in the cause of advancement and emancipation of women. A noteworthy feature of rapid progress the women had made recently had been the sincere co-operation of the sterner sex in contrast to the experience of other countries.

Referring to physical training she said that it was a simple thing to say that girls should receive it. It was nothing so simple to decide on the actual forms it should take. Physical culture should bring not only firmness of body but vigour and freedom and joyfulness of spirit.

Turning to the subject of co-education, the Maharani observed that though it must be admitted that separation of sexes was in itself artificial, separation was also required in order that a peculiar type of mind, of personality and of culture which constituted the attraction of womanhood might be developed. There was thus a definite need for "separate schools and colleges for girls and women in which life and not merely courses of study shall have reference to the nature of pupils and character of women we wish to cultivate." Here a difficulty of no small dimension was that the majority of women were occupied with problems of female education and had their education along lines laid down by men. The great difficulty, therefore, was to attain sufficient freedom of judgment from bias which this kind of education had given. She urged on them to free themselves of the bias and obtain a really distinctive point of view. Viewed from the standpoint of different types of character which should be developed in boys and girls, there should be differences even in the kinds of literature which predominated on the one side and on the other.

On compulsory primary education what the Conference had to consider was not the necessity of such a measure but the ways of removing difficulties in the application of an educational policy which they desired. What was needed for the success of the measure was active and persistent propaganda among women and she felt that local organisations under the guidance of a Central Women's League could do a great deal in that direction.

Coming next to the economic value of education the Maharani said that there was a tendency to retard, even to oppose, urgent reforms in women's education because it was believed that for women's education to have economic value it must be on the same line as that of men. The Conference must show it to be false. "If our girls' education is to be on other lines, education of those who are to teach them must be on other lines. I can conceive no way in which Lady Irwin could assist in the progress and advance of Indian womanhood more than in using her capacities to obtain the establishment of a really efficient training college for women teachers which will train women for the task of re-birth and regeneration of Indian education for women and girls."

The whole question of the legal status of women in marriage with regard to property, divorce, control of children and many other matters should be systematically enquired into and proposals discussed. Thinking as they should do of Indian women in general, they would not be able to devote their attention specially to any particular groups. There was, however, one group of women, small perhaps in number, who, once emancipated and soundly educated, could do much for the women of India. She spoke of the Indian princesses. The Conference should state in no uncertain terms its views on the reforms needed in this direction.

Discussion on Resolutions.

There was full attendance of delegates when the Conference reassembled on the next day, the 6TH JANUARY 1927. The strong appeal of the President, in her address, to cultivate women's distinctive outlook free from bias induced by the man-made system of education was embodied in a preamble to the resolution. The present system of education, it maintained, was thought out primarily in the interest of the boys and was formulated by men. The time has now come for women to review and reform this system and resolutions hereinafter to be adopted would offer a constructive programme to those who had already shown a sincere desire to promote advancement of education. The first resolution was adopted defining education as training which would enable a child or individual to develop his or her latent capacities to their fullest extent for the service of humanity and should include elements for physical, mental, emotional, civil and spiritual development.

(2) Compulsory moral training.

Sister Subbalaxmi then proposed the next resolution demanding that moral training based on spiritual ideals should be made compulsory for all schools and colleges. Mr. Arundale, seconding, expressed the opinion that the fundamentals of all religions should be taught in schools so that the present lack of understanding among the race and individuals might be removed and the nation's progress be ensured. Mrs. Hans Mehta led the

opposition with the slogan "Morality and religion can grow from within. They cannot be engrafted from outside." After some more discussion the resolution was carried by a majority.

(3) Compulsory physical training.

The third resolution that a complete course of physical training should be made compulsory in boys and girls' schools was adopted.

(4) Education of women.

The last resolution of the day was that in education of girls and women, teaching in ideals of motherhood, beautifying of home as well as training in the methods of social service should be kept uppermost. Mrs. Menon, on behalf of the unmarried professional women, urged that the Conference should not lay too much stress on motherhood. Mrs. Kamala Chattopadhyaya made out a strong plea for teaching the art of beautifying home which was the best place for them to develop mentally and spiritually. The resolution was carried and the Conference rose for the day.

Some more resolutions were adopted by the Conference in its sitting on the 3rd day, the 7TH JANUARY. The first read: "This Conference deploras the effect of early marriage on education and urges the Government to pass legislation to make marriage below the age of 16 a penal offence. It demands that the age of consent be raised to sixteen. It whole heartedly supports Sir Hari Singh Gour's Bill which is to come before the Legislative Assembly this month as a step towards raising the age of consent to sixteen and sends a deputation to convey to the Legislative Assembly the demand of this Conference on this vital subject." Mrs. Cousins moved and Lady Sadayya Aiyar seconded the resolution. Mrs. Hans Mehta pleaded for legislation to declare marriage below the age of 16 illegal. This evoked a strong opposition from Poona delegates who resented the idea of declaring marriages illegal after they had been once performed. They, however, favoured the proposal to penalise the parties concerned. After further speeches, the resolution was unanimously adopted.

Two more resolutions were also passed on this day. The first demanded that primary education for boys and girls be made compulsory, that the present vernacular text-books be revised and supplemented by books suitable for children and that women should be on all attendance committees. The other urged inclusion of preparatory manual training in the curriculum suited to the child's need and daily experience.

The All-India Women's Conference concluded on the 8TH JANUARY, after adopting several resolutions urging addition of fine arts, advanced domestic science, journalism, social service and architecture as optional subjects to the college curricula and that scholarships be offered to women students to attract them to take up law, medicine, social science and fine arts. Other resolutions favoured the establishment of residential colleges for women and appointment of a lady professor as adviser in colleges where there were women students and requested the Government to provide mistresses for teaching women in their homes. The Conference recommended that Government recognition should be given to successful educational institutions which had adopted the curricula suggested by the Conference, like the Indian Women's University. A standing committee was appointed consisting of the Maharani of Baroda as President, Nanj

of Bengal, Mrs. Naidu, Lady J. C. Bose and Rani of Visianagaram as Vice-Presidents; Mrs. Cousins as Chairman and Kamaladevi Chattopadhyaya, Secretary with 14 other members with powers to co-opt.

A. I. Youth Conference.

The following address was delivered by Mr. T. L. Vaswani, the President at the A. I. Youth Conference held at Gurukul, Hardwar during the Jubilee celebrations of the National University on Friday the 18th March 1927.

"Friends, If I had my own option in the matter I would not speak, I would rather sit amidst you in silence; for in silence is strength. Many centuries ago there appeared in ancient China a Rishi called Confucious. And he said "Heaven is silent; the seasons change and all things multiply,—Heaven is silent." If Heaven is silent, must not man, also, learn to be silent? And I have felt again and again that India needs inspiration of what is more than words—the inspiration of silent service, the inspiration of a mighty deed of sacrifice. And even as I speak to you, young friends, I breathe out an aspiration that our actions may go much further than all our words.

"You have chosen for this chair a poor unworthy man, a 'darvish' of the desert. You have summoned me from my seclusion and silence to give you a message. The Lord has linked my heart with the young from the beginning of my days. I come to you not as a scholar or leader; I come as a servant of the young. I come to have your blessings. I come with love in my heart. I come with some thing else also—with faith in you, the youth of the Nation, with faith in India and her destiny. I believe profoundly that you who are young can build a nation of the strong, a nation of the free. I give you the tribute of my homage and affection. you are the path-finders of to-morrow. You are the builders of a greater India. Many have told me, many have sent me letters to say, that young men are going astray. Some think the young are running into ruin. Many of my countrymen are pessimistic about the youth. I come to you with immense optimism in my heart. In my quiet retreat, away from the high noise of the day, I have command with the stars of the clear star-lit skies of my native land. And I have said to myself:—"The same star looked upon the India of the long ago. India then was mighty as she is fallen to-day. India then was strong, rich and prosperous as she is poor to-day. India then was the leader of the nations, a 'guru' of humanity, as India, alas! is treated to-day almost as an untouchable among the nations of earth." Then have I shed tears and cried in the darkness of the night: "Oh mother, the ancient mother, Mother India! why hast thou hidden thy face of beauty and strength from thy children to-day?" And I have heard a voice saying:—"Be not dismayed,—my young sons and young daughters will build a new nation on nobler lines in the coming days." Yes, the youth will build a greater India. I come to you with the message of hope and faith. To-day the country is divided. To-day there is a depression in many hearts, I am an humble servant of the young. I come to you with

faith immense in India and her Destiny. Young men of India can meet wonders. But they must be united in one body in a common service. They must be united in the strength of faith in India and the Indian ideals. To-day we start the "Bharat Yuvak Sangha," an Order of Young India.

"The very first article of the Order's faith must be faith in "Bharat Dharma." India has not lived for herself. India lives to give the message of the Rishis—the message of the Ancient Wisdom—to the world. Let young men be filled with the inspiration of Indian ideals. If they perish, they must perish the hope of India. One important object of the Order of Young India should be to study and spread Bharat Dharma. I ask you that are young to turn your thoughts away from the distractions and depression of to-day to the mighty destiny that awaits India. An Upanishad has well declared:—"A man becomes what he thinketh upon." Think, then, of what India may be in the coming days. Think of the mighty potentialities within you to make her fulfil her mission to humanity.

Bharat Yuvak Sangha.

"The Bharat Yuvak Sangha should have "ashramas." There must, gradually, be built a network of "ashramas" throughout the length and breadth of India. I have in my mind a picture of an ideal "ashram." I have not the time to describe the picture to you in its several aspects to-day. I shall be content with an imperfect statement of three or four aspects of the picture. The "ashram" as I think of it, should, among other things, teach this central truth of national advance:—Be strong. I want India's youth to be sons of 'Shakti.' I want every young man to develop strength, and therefore to develop first his body and train it to be a servant of the ideal. To-day young men are weak. Many years ago an Englishman came to Sind. He described the Sindhis as strong in physique. To-day Sindhi young men are weak in body. Coming to the Punjab, rich in noble traditions and memories of the martial spirit, what do I see? The Punjabi young men, too, are declining physically. And my esteemed friend, the Chairman of the Reception Committee, Mr. P. K. Ghosh will agree with me that the Bengalis, too, have declined physically. I want the young to be strong. India needs strength. — all possible strength to-day, strength of body, strength of mind, strength of the Atman. No weak nation may hope to be free. Look not for freedom to Council debates, look not for freedom to parchments of Parliament. Freedom will grow out of "Shakti". Be strong. Weakness is a sin. And believe me, the body is the temple of God. How true is the ancient Sanskrit saying, "Shariram Brahmamandiram"! The first lesson, I would have the young learn in the "ashramas" is—"be strong", the second is "be simple." Indeed, in true simplicity is strength. A Lahore friend told me that young Punjabis are running after fashions. Fashion is folly. Study the lives of India's great men. They have been simple. The 'rishis' of Aryavarta,—how simple they were! The heroes and teachers of India,—from the mighty days of Shri Ram Chandra, down to our own dark days,—illuminated by the life and example of Mahatma Gandhi,—have been simple.

"In the 'ashramas,' as I think of it, I would also have every young man observe this rule that he must do at least one act of service every day. 'Seva,' service of the poor, is what ennobles and enriches life. Service of the poor is the end of knowledge.

"We stand on the threshold of a new age. Shall we have a new India,—a liberated India? Who will lay the foundation of a new nation?

In every province are needed youngmen, who would be sons of strength and courage, 'shakti' worshippers. Such youngmen, filled with the Indian ideal and rich in wealth of renunciation and sacrifice will open a new chapter in our history. Youngmen, who would be "Bhikkhus" in spirit united together in the service of love, can work miracles.

"Believe me, they wait for you—the multitudes in the country. They wait for you. They wait for the message in towns and villages. There is a beautiful story in an ancient book. A boy says to his mother:—"Mother! you have spoken oft to me of Shri Krishna. Is Krishna alive?" "Yes," the mother says, "the Lord is not dead, he lives." "I see him not," says the boy. And the mother says, "If you would see him, my child, you must practise one Sadhan." And he says, "I am ready, teach me." And the mother says, "My boy, if you would meet Krishna, thy Lord, offer every day, this little simple prayer, with faith and love in thy heart, "May I, O Lotus-eyed! be a sacrifice to thee."

Message of India.

"Youngmen! offer this ancient prayer. Purify and strengthen your life with this ancient aspiration: "May I, O, Lotus-eyed, be a sacrifice to Thee!" Then go out to the multitudes that wait with hungry hearts for the message of India,—the message of "Bharat Dharma. Go, and tell them that India lives for a mighty mission. Carthage and Babylon are gone, India lives on. Rome that dreamt the dream of dominion and conquest, Rome is gone,—India lives on. Greece, the cradle of culture, the shrine of art and philosophy, Greece is gone,—India lives on. Not without a purpose. India lives to give a mighty message to the nations; and what greater privilege than this,—to do and die in the service of India? Go and spread this message in town after town, village after village. And with the beauty of the ancient ideal, hypnotise the whole of Hindusthan!"

Punjab Provincial Muslim League.

At a general meeting of the Punjab Provincial Muslim League held at Lahore on the 1ST MAY 1927, Sir Mahomed Shafi, President, delivered a long opening address in the course of which he referred to Mr. Kalkar's presidential address at the Hindu Maha Sabha held at Cawnpore in December 1925 and the offers made by him to the Muslim community and said all that the Delhi Conference did in March last was to accept the offer then made only 15 months previously; but he expressed great disappointment that the Hindu Sabha politicians have now turned a complete somersault, almost immediately after the publication of the statement issued by Mr. Jinnah. The Punjab Hindu Sabha passed a resolution that the Congress had no right to represent the Hindu community in any negotiations with the Muslims and further that any kind of settlement arrived at between leaders of the Muslim League and those of the Congress among whom Mahomedan leaders are included, would in no way be binding on the Hindu community and this in spite of the fact that an overwhelming majority of Muslims present at the Delhi Conference had nothing whatever to do with the Congress organisation.

Sir Mahomed then referred to the resolutions adopted at Patna by the Hindu Mahasabha and the opinions of the Hindu press, and said that there was not a single Hindu newspaper whether conducted in English or in any vernacular languages which had accepted the proposition, adopted at the Delhi Muslim Conference. In spite of Mrs. Naidu's effort to draw him out, Mr. Gandhi had refrained from expressing any opinion on the specific proposition adopted at Delhi, indulging merely in vague general platitudes not calculated to give any definite lead to Hindu public opinion. Neither Pandit Nehru nor Mr. Sen Gupta has come out with any declaration one way or the other. Concluding his address, Sir Mahomed Shafi said that until the mentality of the Hindu Mahasabha undergoes the necessary change and that body comes to realise that without Hindu-Muslim unity the attainment of Swaraj for our common motherland is absolute impossibility, and finally until an effective guarantee of the protection of its vital interests is forthcoming, the Muslim community will continue to insist on the retention of separate communal electorates as an integral part of the Indian Constitution. In the existing unfortunate conditions obtaining in this country, the introduction of the joint electorates is certain to prove a periodically recurring cause of friction between the two great communities, fatal to the cause of Indian nationalism and creative of difficult and complicated administrative problems for the Government.

Resolutions.

After the presidential address was over the League held a three hours' discussion and unanimously adopted 4 lengthy resolutions. The first resolution was moved by Sheikh Abdul Khader, noting with regret the scant courtesy shown by the Hindu press and the Hindu Mahasabha towards the Delhi Muslim Conference propositions, exhorting Muslims to close up the ranks, and support the valuable guarantee of their legitimate interests furnished by the right of communal representation in the country's legislatures which they have enjoyed for the last seventeen years and considering it useless for the Muslim minority in this country to formulate any proposals particularly in the face of the irreconcilable attitude adopted by the Hindu Mahasabha.

The second resolution moved by Sir Mahomed Iqbal reiterated the League's conviction that in the existing political condition in the country separate communal electorates provided the only means of making the central and provincial legislatures truly representative of Indian peoples and emphatically opined that, so long as an equally effective guarantee of Muslim interests was not forthcoming, the Muslim community could not but continue to insist on the retention of communal electorates as an essential part of the Indian constitution.

The third resolution repudiated the allegation that separate communal electorates were responsible for Hindu Muslim dissensions and asserted that they were the outcome of the Suddhi and Sangathan movements started by the Hindu Mahasabha.

The fourth and last resolution protested against the pronouncements made by Dr. Moonje at the Hindu Sabha, Calcutta, and at the Hindu Mahasabha at Patna, regarding them as being fatal to the cause of Indian nationalism and warned the Mahasabha to stop Dr. Moonje's activities.

The Bengal Muslim Conference.

The Bengal Provincial Muslim Conference, held at Barisal on the 8th May 1927, concluded abruptly on account of a rain storm. The Chairman of the Reception Committee, Khan Bahadur Hemayatuddin Ahmed, had read only a portion of his speech welcoming the delegates when it began to rain. The rest of the Khan Bahadur's speech as well as the presidential address was delivered on the next day, the 9th May, the Conference sitting at 3 a. m. instead of in the afternoon.

Sir Abdur RAHIM, presiding, began with the Kulkati incident in which several Mahomedans were shot dead by the police. He expressed absolute disappointment at the attitude which the Bengal Government had assumed in this case, but hoped that when the new Governor found time to study the facts relating to the Kulkati occurrence he might try to accept the Muslim view of it; notwithstanding what his Muslim and Hindu Ministers have advised him. He expressed similar disappointment at the attitude taken up by many Hindu politicians, chiefly among the supporters of the Government. In suggesting remedies, Sir A. Rahim said :—"We have failed to secure an independent enquiry in this important case. The only other means left to us is to seek such remedy as persistent constitutional opposition in the Legislature affords. For that purpose I have sought a clear mandate from my community in North Calcutta constituency whom I more particularly represent and thrown out a challenge to the supporters of the Government to defeat me if they can and thus prove that the Muslim public opinion does not support me. If this constituency gives a verdict in my favour there will be no reasonable excuse left to anyone for doubting what our community wants and if any Muslim member of the Council still hesitates to respect the decision of the Mussalmans of North Calcutta his duty will be to resign his seat and seek re-election. Otherwise, I should be entitled to call upon every Muslim member of the Council to offer constitutional opposition to the present Government until redress is obtained.

After condemning communal propaganda, he referred to music before mosque, stating the general propositions regarding this question. He referred to the local practice and said : If these principles are acted upon by both communities it is possible that even in the present tension of feelings there will be very few collisions ; but whatever we may lay down the key of the situation must always remain in the hands of the Executive authorities. If they consult leading men of the two communities whenever they apprehend any trouble and come to a bonafide decision no reasonable man should object to the enforcement of their orders in accordance with the law and in the manner required by the true needs of the situation. The most satisfactory and lasting solution however can only be reached if influential leaders of both communities approach the question in a spirit of give and take and then resolutely exert all their influence to see that the agreed decision be properly carried out.

Regarding the Shuddhi movement, Sir Abdur said : Under the law every believer in a particular religion is entitled to preach its doctrines and to bring within its fold any one who wishes to come in. No Muslim that I know of has ever questioned such a right ; but I do not understand why such great zeal and energy should be devoted to proving that with the exception of a handful the rest of the Mussalmans in India were originally Hindus. I

believe a fair body of opinion is growing in Barisal which demands that these disputes and collisions, which are so entirely alien to the traditions and spirit of the people of this province, should not be allowed to continue to mar the peace and harmony of social life.

Referring to the elections, he discussed both communal and joint electorates. "On an important question of this character and magnitude no departure should be made from the existing practice except with the approval of both the parties concerned. That is why Lord Lytton in his farowell address the other day said that this was a matter for arrangement between the two communities. What is very significant is that while Hindu opinion is strongly in support of joint electorates, Muslim opinion, except perhaps of a few individuals, seems to be equally set in the opposite direction. It is my own personal belief that, but for the pronounced anti-Muslim propaganda of a certain class of politicians having considerable position and influence in their community and the unfortunate collisions that are taking place almost daily Muslim opinion would not have been so decided against joint electorates. When mutual trust and confidence have been so largely destroyed, the foundation for co-operation in an electorate is necessarily weakened. The feeling has grown strong among the Mussalmans throughout the length and breadth of the country that if we yield to the demands and threats of those Hindu politicians, who started the movement for a change, Muslim interests will be seriously endangered.

Concluding, Sir Abdul Rahim said that the desire for communal or class or caste nomination must be replaced by a spirit of co-operation and goodwill in advancing the interests of the general population. This is the pivot of the entire policy which I placed before the country in the manifesto of the Bengal Muslim Party. I venture to state on behalf of my community that it is not within the scope of its ambition to dominate other communities. They are sincerely anxious to work in friendly co-operation with the Hindu community in a self-governing India. It is not my belief that it is the desire of the general community to dominate over us; but we cannot ignore the fact that there are distinguished and accredited leaders of a large school of political thought who from time to time express sentiments which add to the anxiety of Mussalmans as to how a Hindu majority may exercise its powers. We are so anxious to advance the political status of our country that we are prepared to settle differences in a friendly conference with the leaders of the other community, however provocative may be the attitude of some of them.

Sind Hindu Provincial Conference.

The session of the Sind Hindu Provincial Conference opened at Sukkur on the 1ST MAY 1927 under the presidency of Lala Lajpat Rai. The Chairman Mr. Virumal Begraj, in a bold and fearless but restrained speech, after condemning the atrocious murder of Swami Shraddhanand, deplored that Sind which was the birth place of Sufism (union of religions) had now become the hotbed of communal dissensions as a result of fanatical propaganda in Muslim quarters, both from within and without. And the result was the Larkhana riots followed by the byplot at Begraji. If Mahomedans claimed the right of conversion why were Hindus being deprived of the right of Shudhi and reclamation. With regard to separation of Sind.

he declared that apart from political and economic expediencies Mahomedans had forfeited the trust of the Hindus and completely shaken their faith and aroused numerous doubts and fears in their minds by their conception of Mahomedanising everything. He urged reorganisation of Hindu pan-chayats and sangathan so as to make them a living force and through them of starting of separate educational and other institutions for Hindus. He also stressed on the study of Hindi, physical development, reformation of temples, and eradication of social evils like early marriage. With regard to music before mosques he cited the recent instances in which a Mahomedan living in the neighbourhood of his press kept beating drums, trumpets and musical instruments for a number of days continuously on the occasion of a marriage, and when he asked his other Muslim neighbours to stop him they all laughed and had to admit that their desire to enforce this demand against the Hindus was extremely arbitrary and unfair.

THE PRESIDENTIAL ADDRESS.

Lala Lajpat RAI then delivered his address extempore for over two hours in which he asked the Hindus to give up mildness and develop sternness of character, mind and body so as to offer successful resistance against any encroachment on their rights.

He regretted that a fitter person than him was not appointed President because temperamentally he felt he was not the fittest for this work and he was not so well acquainted with the Sind problems. Expressing regret at Pandit Malaviya's absence owing to illness, he paid a glowing tribute to his piety, learning and unflinching and ardent love for Hinduism. Referring to communal tension, he said he was pained to see that the two great communities, who formed the nation and who were destined for ever to live in this land, could not pull on peacefully together. His one consolation was that in their national evolution this stage was not only inevitable but also necessary. He hoped that when they emerged from this ordeal they would be purer and stronger. Without this real strength Swaraj, even if got as a gift, could not long be retained. He exhorted the Hindus to face this fire manfully and come out of it purer like gold.

Referring to local problems, Lala Lajpat Rai said that although he was not intimately conversant with them he realised that the position of Hindus as an extinct minority was very delicate but he assured them that they were not alone in their battle. Hindus in other provinces would always be ready to help and support them. He exhorted the Hindus of Sind to participate in the All-India Hindu activities. To the wealthy men of Sind he reminded that their wealth was useless and might disappear in the wink of an eye as it did in Kohat and Saharanpur and all their paid keepers and watchmen would be of no avail if they do not use it in opening institutions for the development of the mind and body of their young men and training them up as a defence force. He regretted to find the physical condition of Hindu and Hindu children in Sind so poor. Early marriages were rampant in Sind and the habit of drinking appeared to be common. The condition of women too was very backward. He, therefore, exhorted them to strive to remedy these deficiencies. He appealed to the young men to develop sternness of character, mind and body.

Referring to the ensuing All-India Congress Committee meeting, he said that although he was a devotee of the Congress whose prestige was higher to him than of any other body, he was of opinion that the Congress decision on communal questions should be arrived at after due consultation with the Hindu Maha Sabha and some recognised Muslim body.

Concluding Lala Lajpat Rai said that the problem before the Hindus was twofold, firstly, Samajio reformation and, secondly, relations with Mussalmans and Government. If the Hindus were to set their house in order no force on earth could resist them. The lack of organisation which had brought the downfall of Hindus in Sind at the time of the invasion of Sind by Mahomed Bin Kassim was also responsible for the present helpless plight of Hindus in the whole country. The community had taken to external superficialities which were undermining Hindu Samaj. Hindus had forgotten their Dharma, the Dharma taught to them by the gospel of the Gita. He exhorted the Hindus to give up their mildness and develop sternness of mind, body and character and rise to occasions to do their Dharma. To Mussalmans who yearned for the emancipation of Muslim countries outside India, Lalaji would say that it would be impossible without the emancipation of India.

Resolutions.

The resolutions that were passed in the Conference relates to:—

(1) Expressing satisfaction at the efforts of several panchayats in ameliorating the condition of the depressed classes and earnestly requesting all Hindus to allow them the use of public wells, schools, mandirs and cremation grounds. (2) Protesting against the restrictions of music before mosques, and sympathy with Patuakhali Satyagrahis; (3) Reformation of temples; (4) Condemnation of child marriages and of uneven marriages of elderly men with child brides; (5) Propagation of Shuddhi and appeal to Hindu panchayats to take back within their fold reclaimed Hindus; (6) Condemnation of Swami Shraddhananda's murder and appeal for the Shraddhanand Fund; (7) Ratification of the Patna Maha Sabha's resolution on Hindu-Muslim relations, provincial redistribution and reconstitution of provincial legislatures, recording opinions against separation of Sind from Bombay as injurious to economic, political and educational interests of the province and especially of the Hindu community in Sind and stating that Hindus will not be bound by any decision of the All-India Congress Committee or any other body unless ratified by the Hindu Maha Sabha. An amendment for the appointment of a committee to consider the above question was negatived by an overwhelming majority.

Other resolutions passed condemned the Larkbana riots and the conduct of the Mussalman Police officers at Bagarji as failing in their duties and inspired by religious animosity causing panic among the Hindus in Bagarji and the neighbouring places and ill-treatment of respectable Hindus who were arrested, handcuffed and roped.

SEVENTH SESSION OF

The Trade Union Congress.

The seventh session of the Trade Union Congress opened on the 13TH MARCH 1927 in the Hindu College Hall, Delhi. Prominent among those present were Messrs. S. Srinivasa Iyengar, Clow, Saklatwala, Lajpat Rai, Pandit Madan Mohan Malaviya, Messrs. G. D. Birla, D. Chamanlal, Rangaswami Iyengar and Banucha.

The Executive Council Meeting.

Before the Congress met, the Executive Council of the Congress, discussed at considerable length some of the resolutions. About a dozen applications for affiliation presented before the Executive Council by Mr. Aitab Ali were rejected at the instance of Mr. Mrinal Kanti Bose who protested against the practice of affiliation of unions without making any enquiry as to their bonafides. Mr. Bose said that he had already given notice of moving important changes in the rules relating to affiliation.

Mr. Theagdi's resolution to declare the willingness of the Congress to bring about the greatest possible solidarity and co-ordinated activity on the part of the Trade Unions throughout the British Empire in order to counteract the ruthless exploitation carried on under the aegis of British Imperialism provoked considerable discussion, some of the delegates expressing the opinion that the Trade Union Congress as such should not consider the subject. Mr. Chamanlal in an eloquent speech said that politics could not be divorced from Trade Unionism and the Trade Union Congress should emphatically declare from its platform that it would fight imperialism as it would fight capitalism. The resolution was carried by an overwhelming majority.

Constitutional Changes.

Mr. Mrinal Kanti BOSE, in moving his resolution for the modification of the Congress constitution, said that some of the glaring defects in the constitution have stood in the way of the Congress developing to the full height of its power and usefulness. By payment of the prescribed affiliation fees any person could create as many paper unions as the length of his purse permitted.

* Mr. SAKLATVALA at this stage expressed his desire to offer a few suggestions on the defects of the constitution. Permission being given he spoke for about an hour. Labour in India, he said, was experiencing the same difficulties as Labour did in England. But Indian Labour was not required to start from the very beginning. It has inherited the traditions and experience of the British Labour movement. The Trade Unionists in India were to forge ahead and keep themselves abreast of the Labour movement in the world. He said that the Congress should have a standing committee for international negotiations. It should have a labour research bureau and district organisers to settle local disputes. As to the constitution of the Congress he suggested that affiliation rules should be more rigid so as to secure that none but bonafide trade unions

might get affiliation. Once this was done the forces of intrigue would get a set back if not destroyed. He suggested that there should be a permanent office of the Congress so that the Trade Union world might know whom to apply for information etc. He suggested also the institution of a central fund to meet the travelling expenses of delegates to and from the Congress.

On the conclusion of Mr. Saklatvala's speech, the House adjourned for half an hour and when it met, Mr. Mrinal Kanti Bose continued his speech. The most important amendment of the constitution he proposed relates to rules regarding affiliation of unions to the Trade Union Congress and is as follows :—

"That applications for affiliation of Unions should be forwarded through the provincial committees to the General Secretary. (A rider was proposed by Mr. Joshi and accepted by Mr. Bose that no provincial committee would be entitled to withhold any application for affiliation).

"That no Union should be affiliated to the Congress without being first affiliated to the Provincial Committee.

"That no Union should be affiliated which has not been in existence for at least one year and has not its account and statement of membership audited by a qualified accountant or an authorized representative of the A. I. T. U. Congress."

Other modifications included the substitution of the Provincial Committee for the Provincial Secretary in matters relating to the formation of Reception Committee for the purposes of holding the Congress. The constituents of the Congress were to be, over and above the office-bearers mentioned in the rules, other office-bearers whom the Congress might elect from time to time. (This was suggested by Mr. Saklatvala and accepted by Mr. Bose.)

Resolutions.

Resolutions were then passed regarding the emphatic protest of the Congress against the system of "Licensed Coolie Contract" at Howrah station and urging the High Commissioner of Railways for its abolition and appointment of a whole time officer for the supervision of the luggage porters' work at Howrah Station and for appreciable reduction of the license fee of Rupees seven per month levied by the contractor and urging upon the Agent of the East Indian Railways to publish the report of the Railway officer deputed by Mr. Legg, the late Agent of the E. I. R. to investigate the grievances of the licensed porters and to place it before the East Indian Railways Local Advisory Committee urging the abolition of the piece system of work in Government Presses and regretting the steps that are being taken by the authorities of the E. I. R. Press to convert a large number of the salaried hands into piece workers, urging upon the Jute Mills' Association to acquire the busters in the jute mill area and urging on the owners of the jute mills to revise the scandalously low wages averaging Rupees Fifteen per month to the worker of the jute industries which has been paying an average dividend of 90 per cent for the last ten years, urging upon the Government of India to take as a first step towards combating unemployment in the country to establish immediately public employment bureaus in all industrial and commercial towns, expressing the opinion that the so-called menials employed by Government, Municipalities and other local bodies should be given the

same privileges as are enjoyed by the ministerial staff with regard to leave, pension and Provident Fund etc.

The Congress passed also a comprehensive resolution dealing with the grievances of Railwaymen, and urged upon the Government of India to carry out the resolution passed by the Legislative Assembly without division on the 5th February 1925 for an enquiry into the grievances of the Railway subordinate employees and for the amendment of the Indian Railways Act by inserting provisions for the constitutions of a Central Wages Board.

The Congress also passed a resolution about seamen's grievances disapproving of the failure of the Government of India to give effect to the recommendations of the Seamen's Recruitment Committee.

The President's Address.

Rai Sahib Chandrika PRASAD, then delivered his presidential address. In the course of his address he said that the workers in India were exploited both by the well-to-do classes of the country as well as by foreigners in various ways. They mostly based their attitude on the theory of supply and demand and did not concern themselves whether their employees got a living wages. The responsibility for low wages rested with both employers and employees and the latter were forced by circumstances to accept what was offered to them. If labour in India was properly organised, it would be at an advantage to bargain and things would improve. To-day a small fraction of persons engaged in industry, transport and mines were only organised, while agriculturists were totally unorganised, Government taking land revenue, Government servants taking their illegal tolls, money-lenders and speculators buying the farmers' produce at low rates and selling it to the consumers at market rates, left the agriculturists in a state of chronic poverty. Were the agriculturists in India properly organised in unions, they would jointly sell their produce under intelligent joint management as was done in Denmark. The speaker thought that the co-operative movement in India was not likely to make a substantial improvement in the lot of Indian Kisans unless it was brought under the people's own control and worked on Danish lines. He suggested the formation of village panchayats. Trade Union in India was still in infancy and was growing as it possibly could. Illiteracy of workers and opposition of exploiters were the chief difficulties in the way of its progress. Among Government servants they had a fairly good organisation of men employed in the posts and telegraph departments but the same could not be said of the employees on State Railways. The speaker attributed this to the capitalist tendencies of British companies which, he said, had usurped the management and working of State railways. Cases of victimization had occurred on several railways, while in some places men had been threatened with summary dismissal in case they talked of forming a Union. Men who were kept down under such restraint needed their assistance and encouragement. He hoped that such intimidated railway employees would soon come forward in the open and form their Unions.

Railway Employees' Grievances.

The speaker then referred to the grievances of railway employees such as the absence of minimum living wages, low rates of salaries and wages of Indians generally as compared to Europeans and Anglo-Indians, State

Railway rules for leave, free passes, warrants for reduced fare tickets, educational grants in aid, residential quarters and supply of uniform should be applied to all. Appointments should be made by open competitive examinations conducted by independent commissions instead of by patronage. The form of agreement executed by railway servants should be revised on equitable conditions applicable to Government servants. Hours of work should be properly regulated and the system of flogging should be abolished. The speaker complained of racial discrimination on Indian railways and said that with non-Indians at the top of the services in the Railway Board and in administrative departments, Indians could have no justice. Apart from this the present salaries of superior officials of railways were inordinately excessive. This was to be cut down and the Government should lay down for the future scales of salary for all classes of railway servants on the lines of the Japanese State Railways. Regarding Indianisation, he said it should begin from the top rather than from the bottom.

B. N. R. Strike.

The President next made a reference to the B. N. Railway strike and said that though the terms offered by the Agents were not satisfactory, the strike had been called off in the interest of public convenience. They, as a rule, did not advocate strikes as a weapon to secure redress of their wrongs. Their policy was to settle all differences between employees and employers by negotiation, arbitration or conciliation boards.

The Trade Union Act.

The speaker referred to the increasing unemployment among the people in the country specially among educated classes and suggested that an enquiry be conducted for suggesting adequate measures of remedy. Referring to the Trade Union Act of 1926, the speaker said that it had several defects like the application of Section 120-B of the Indian Penal Code to unregistered Trade Unions and joint action by workers without forming a Union, which should be removed. Immunity from civil liability of members and officers should be extended to all Unions in India. Objects of registered Trade Unions should be as in England. Restrictions placed upon the powers of the Unions in spending their funds in helping the working classes generally should be removed. The Indian Railway Act was to be revised and they should particularly urge that provisions for the constitution of the Central Wages Board and National Wages Board for settling disputes concerning wages and conditions of service and for making it obligatory on railway administrations to establish councils on the lines of the English Railway Act should be embodied in the contemplated Railway Bill.

Labour Representation on the Legislatures.

The question of forming an independent labour party was needless so long as the majority of workers in India had no vote for sending members to the legislatures. He regretted that their tentative scheme for labour representation in the legislatures had not been responded to by the Government. He suggested 12 selected seats in the Assembly, 12 in Bengal, Bombay and Madras, 8 for Bihar and Orissa, the United Provinces and Burma and 6 for Central Provinces and Assam.

Referring to the South African Settlement, the President held it to be honourable to both parties and hoped that its actual working might prove

satisfactory. In conclusion, he appealed for unity amongst the different sections of labour, irrespective of caste and creed.

REVIEW OF THE WORK OF THE CONGRESS.

After the President's speech Mr. Joshi, reviewed the work of the Congress for the year 1926. In doing so he said that there were 57 Unions affiliated to the Congress. The scheme for labour representation in legislative bodies as approved by the Congress at Madras was not adopted by the Government though two additional seats in Bombay and one each in the Punjab and Central Provinces were created. Referring to labour legislation in India, Mr. Joshi welcomed the Indian Trade Union Act and the Indian Factories Amendment Act, but regretted that the Government should have permitted the Coorg Legislative Council to pass legislation on the lines of the Workmen's Breach of Contract Act.

Reviewing the work of India's representative to the International Labour Conference, the speaker welcomed the appointment of a national correspondent in India by the International Labour Office from the beginning of 1928.

SECOND DAY—THE 13TH MARCH 1927.

Next day, the 13th March, after a protracted meeting lasting for about five hours the Executive Council of the Trade Union Congress converted itself into an open Congress and adopted resolutions most of which had already been passed in previous years. Attendance was mostly confined to delegates. About thirty resolutions were passed.

Mr. Shapurji SAKLATWALA, addressing the Congress, declared that freedom was a mockery unless the workers could not become their masters. Trade Unionism was devised to secure that object. It was established with the set purposes of overthrowing Capitalism and Imperialism and its substitution by a workers' state and their control. It was no use saying that they should wait until every body was educated. As a matter of fact trade unionism in Great Britain started in 1858 and compulsory education after it. The speaker averred that in all western countries the trade union movement was beginning to take possession of powers and the movement had reached a higher importance than five or seven years ago. Their task had been made easier by the ready-made reputation and prestige of movement in other countries and they must arrive to come into line with advanced trade unions of the world.

Proceeding, Mr. Saklatwala suggested certain improvements in the existing management of the trade union movement in India and advised them to call a meeting of every branch at least once a month, exchange literature and systematise their accounts. They should also maintain a research department to collect data regarding the ramifications of companies and institute an economic enquiry into the condition of the workers.

RESOLUTIONS.

The following resolutions were carried on this day :—

The Congress first adopted the annual report and expressed its confidence in Mr. N. M. Joshi, General Secretary of the Union Congress.

The Congress extended its cordial welcome and greetings of the Indian workers to Mr. Saklatwala, expressed its protest against the action of the

Indian Government for sending Indian troops to China to further the aims of imperialism and called upon the Government to call back all Indian troops. The advance made by the people of China towards the attainment of national freedom was approved and work of the Kuomintang was appreciated which leads the trade unions and peasant organisations in China.

The Congress thanked the Union Congress of South Africa for giving a hearing to Mr. C. F. Andrews and for agreeing to have a conference with the representatives of the All-India Trade Union Congress, but felt that in view of the South African settlement such a conference was unnecessary. It, however, urged upon the South African Union Congress to support and initiate measures for the uplift and organisation of Indian labour in South Africa.

A resolution was adopted opining that the time has come for immediate legislation for all workers engaged in factories, mines, tea, coffee, and rubber plantations and in all other organised trades and industries and providing for (1) adult franchise, (2) an eight hours' day, (3) machinery for fixing minimum wages, (4) sickness and unemployment insurance, (5) old age pensions and pensions for widows and orphans, (6) maternity benefits and, (7) weekly payment of wages.

The Congress declared its willingness to bring about the greatest possible solidarity and co-ordinated activity on the part of the trade unions throughout the British Empire in order to counteract the ruthless exploitations carried on under the aegis of British Imperialism.

Another string of resolutions passed urged upon the managements of mills and factories to revise the low wages, observance of Sundays as full holidays in mines with full pay, prohibition of employment of women working underground and requesting the Government to take immediate steps to reach the goal of prohibition at an early date as liquor traffic had considerably affected the general welfare of the working classes in India. The Congress expressed its protest against the Government of India for not accepting the modest Congress demand for labour representations on Indian legislatures and also urged upon the Government to grant to menials all privileges as given to the ministerial staff in matters of leave, pensions, provident fund, gratuity etc. The Congress approved the efforts of the Anglo-Russian Unity Committee to bring about unity between trade unions and the Red International of labour unions and expressed the hope that international unity would soon be achieved. It, however, regretted its inability to join the international movement till such unity was achieved. Deep regret was expressed for the unwillingness of the Government to set up an enquiry into the railwaymen's grievances and the Government was called upon to amend the Indian Railway Act setting up a central wages board for settling disputes concerning wages and conditions of service on railways and making obligatory on the railways to establish joint industrial councils on the lines of the English Railway Act.

The Congress concluded its session at 8 p. m. Mr. Chamanlal was elected Chairman of the Executive Council and Mr. N. M. Joshi was re-elected General Secretary for the next year. The next session of the Congress was decided to be held at Cawnpore.

Madras Chamber of Commerce.

The 17th Annual General Meeting of the Southern India Chamber of Commerce, Madras, was held on March 19th, Sir M. C. T. Muthiah Chettiar presiding. The meeting was very largely attended, prominent among those present being, Dewan Bahadurs Govindoss Chathurbujadoss, G. Narayanaswami Chetti, and M. Balasundaram Naidu, Messrs. C. Abdul Hakim, Narayandoss Girdhardoss, M. Kothan, C. V. Venkataramana Iyengar, A. R. Doraiswami Iyengar, Khan Bahadurs Valji Lalji Sait, Jammal Mahomed, and Mahomed Abdul Aziz Sabib Bahadur, Rao Bahadur V. Shanmuga Mudaliar, Rao Sahibs P. Ramchandra Chetti and G. Venkatapathi Naidu. The Secretary presented the annual report and accounts of the Association for the year 1926 and the same was taken as read.

Chairman's Speech.

The Chairman, Sir Muthiah Chettiar in moving the adoption of the report, spoke at length about the condition of the money market, the present position of trade and industries and the various disabilities of Indian merchants. He began by saying that the finances of the Chamber were rapidly improving, the Chamber had practically emerged from the dead-weight of the building loan which had been rather unduly restricting its activities right from its infancy. He was sure the Chamber would maintain its rightful place in the larger sphere of an all Indian organisation afforded by the establishment of the Federation of Indian Chambers of Commerce.

Proceeding, Sir Muthiah Chettiar said: "The Indian money market has been presenting a taxing problem in the period under review. As usual the Government was the Agent Provocateur in the market.

"The progress of the Currency Commission through the country raised great hopes and great fears. As usual the hopes have disappeared and the fears have remained. More than anything else the position of silver and of the Imperial Bank caused no little anxiety. At the close of the export season the rupee exchange seemed to find its moorings round about 18d. but, when it began to show signs of weakness soon after, the Government promptly came to its rescue with their magic wand and misled the unsuspecting Commission. I do not propose to go into the ratio controversy but it remains to be seen whether the rupee will choose to remain where it was kept by heroic efforts for a brief period of two years or whether it will seek its old comfortable resting place. In any case, while it is clear that an abrupt return under present circumstances to the 16d. ratio is ridiculous it should be admitted that the higher ratio both in regard to its practicability and its consequences is not the proper one for immediate stabilisation. The stupendous fall in exports in 1926 and the upward tendency of imports at once reflects the fact that trade is becoming shy of the exchange and that it is going to bring it to a severe trial in the off-season.

"What has made the market more nervous is the steady fall in prices in several of the staple articles like cotton, sugar and steel. That is a second home-thrust to our farmer and our industrialist. The slight recovery of industries after the post-war slump has received no encourage-

ment from the panic-stricken investors. The result was that industrial securities have been continually in disfavour and Banks have been hard put to it to employ their funds profitably. Naturally therefore the favourable exchange and the higher rate of interest obtainable abroad induced a considerable volume of remittance of funds. The Government too have not been slow to aggravate the situation by their persistent sale sterling and deflation of currency in order to work the rupee to the 18d. ratio. The Government have for the moment attained their end at the cost of the country's best interests and have succeeded in allaying the fears of the importers and safeguarded the position of European capital and European service men out in this country. But the exchange trouble is going to remain the crux of the Indian currency problem notwithstanding the introduction of what is called the Gold Bullion Standard in which the rupee is going to remain the standard of value and the standard coin, unsupported by any legal tender gold coin. We are confidently assured that it is our next advance towards the eventual establishment of the Gold Standard with gold currency. We may however congratulate the Government on their attempt to centralise the control of Currency and Credit in the hands of the Reserve Bank and thus wash their hands clean leaving the Imperial Bank free to pursue its commercial bank. We shall then have an ideal organisation ready to assist in the expansion of banking facilities with the sole purpose of promoting the interests of the country. In doing so the banks in the country will find much use for an All-India Institute of Bankers functioning as a common recruiting ground and as a representative authority on the science and art of banking.

Trade and Industries.

"The recent steady decline in prices coupled with the inflated exchange has been seriously affecting the internal purchasing power of large sections of the community and the producers of raw cotton, and cotton yarn and piece-goods have had an anxious time and will have to exercise a great deal of caution in the current year also. The Madras mills however have stood the troubles with greater firmness than those in Bombay and Ahmedabad. The inroads of Japanese goods into our market are being slowly repaired and I do hope that any relief that the Textile Tariff Board can recommend will be most welcome to set the industry on its feet again. In this connection I cannot omit to mention that the operations of the Cotton Transport Act in this Presidency have brought about unnecessary internal restrictions on the movement of cotton, although the object of preventing adulteration is none to be despised. The Act as it stands is not only ineffective in so far as the road traffic is unrestricted, but extremely harmful to the cultivators and the merchants; it would however be worth trying whether the Act can be saved by enlarging the Tiruppur-cambodia area so as to include the districts from Tinnevely to Coimbatore. In fact, having regard to the variety of soils, and the peculiar needs and conditions of cultivation in each locality, it would appear that such territorialisation of grades of cotton is the last thing to be attempted.

Need for Protection.

"The circumstance of prosperity budgets that are passing through the Legislatures now is a curious comment on the poverty of the industries.

There are several industries that remain in a nervous and unstable condition under the quasi-protection of revenue duties, as for instance sugar, match, oil products, fruit-canning, paints and colours, and tobacco all of which deserve to be carefully investigated by the Tariff Board. It should be remembered, however, that while asking for a protective wall, an industry has a great deal to do for itself by way of internal improvement. It is hard to live down a bad reputation. If Indian produce is to maintain its reputation in foreign markets the different trades ought to have independent organisations and ought to exercise strict internal control as in the case of tea, lac, cotton, coal, and wheat. It is high time that similar internal control were exercised in the case of tanned hides and skins, hemp, tobacco and indigo. In all these cases there is a great deal to be said against Government intervention and each trade has got to set its house so as to retain its position in the international market. In respect of hides and skins a serious situation has arisen by persistent adulteration in tanneries for weight purposes. Whatever immediate profit there may be in transactions with indiscriminating countries like Japan it would not be long before the foreign markets make common cause and raise a revolt against all Indian skins and hides, to the prejudice of all tanners, honest and dishonest alike. Hide tanners have just passed through a bad year and on the top of it comes the abolition of the export duty. It is an untruth to say that the export duty has failed in its purpose of encouraging the tanning industry. The export of raw hides and skins in 1919-20, the year of the imposition of the 15 per cent duty, stood at 90,977 tons and in 1926 it stood at 50,226 tons, viz., a decrease of 45 per cent; the exports of tanned hides and skins have during the same period risen from 6,724 tons in 1920-21 to 18,034 tons in 1926, viz., an increase of about 270 per cent. These are facts which no Government which professes to patronise the indigenous industries can ignore without drawing upon themselves considerable public distrust, and this Presidency having a share of about 70 per cent in the exports of tanned hides and 90 per cent in the exports of tanned skins can hardly reconcile itself to the free export of raw skins or hides without serious detriment to our tanning industry.

Taxation.

The subject of the burden of taxation on trade and industries has all but escaped the attention of the Government. During and after the war the country gave its ready response to the Government's appeal for extra taxes to get over the deficit Budgets. Now the season of surpluses has begun but the Government refuses to let go any of its revenues. The Government of India have been accumulating surpluses all these four years and hope to do so in the years to come. In the circumstances the trade and industry of the country should be substantially relieved. Above all, the company super-tax, and the stamp duty not only on cheques and demand bills of exchange as proposed in the Finance Bill but on all negotiable instruments, should be abolished, and the court-fees and registration fees should be brought down to the level of 1921-22.

A serious handicap has been repeatedly brought to the notice of the Government in the administration of the Income-tax Act, for the purpose of enabling assesses to cover their losses in lean years by lumping and averaging the incomes of, say three years, for assessment. It is a

method long adopted in several other countries and there is no doubt of its utility in India where the conditions of currency, trade and monsoon are peculiarly uncertain. With reference to the Finance Bill, I wish to add that the proposal to raise the import duty on unmanufactured tobacco from Re. 1-8 per lb. is calculated to check the large local manufacture of cigarettes in which is used a considerable proportion of imported tobacco. It should be the duty of the legislatures and the public bodies to set their face definitely against any further increase of duties in these insidious ways and urge Government to proceed with legislation in regard to the remaining recommendations of the Indian Taxation Enquiry Committee, several of which require to be carefully examined by the Commercial community in order to place the system of taxation of this country on a scientific basis.

RAILWAY AND ROAD COMMUNICATIONS.

Mr. Govindoss Chathurbujados seconded the motion. In doing so the speaker made a few remarks on the transport facilities of the country. Hardly anything, he said, was more important to the merchant and the manufacturer than his access to the cheap and rapid means of transport. While they thanked the Government for the present proposal in the Finance Bill to reduce the import duty on motor cars and cycles from 30 to 20 per cent, on tyres and tubes to 15 per cent, he would much like the Government to take a corollary step for the purpose of improving and extending road communications by centralising the control and policy of their maintenance and extension in the hands of the Provincial Road Board on which all the district boards and important public bodies may be adequately represented. "In regard to railway extension" the speaker said, "I am glad to say that the Railway Board has a reasonably extensive programme for this Presidency and I only wish that the same rate of progress be maintained for at least a decade in order to fill in the web of trunk lines. Meanwhile, the railways will be well-advised to reduce the freight substantially if India should enjoy cheap transport as in foreign countries, though it be at some cost to the annual contribution to the general revenues, in case the working expenses do not admit of a substantial cut. In regard to passenger traffic it must be expected that the recent small reductions in fares will stimulate traffic to some extent though not immediately, but it is a matter for regret that the South Indian Railway and the Madras and Southern Mahratta Railway are far behind the other lines. It would be a great relief to second-rate mercantile firms if the coupon system is extended to second class travelling also. Another matter which requires the serious attention of the Railway Board is the practice of charging minima rates in the first stage of travelling in each line passed through in long distance travel. Another difficulty in long distance travel is the want of connecting trains, as for example, the want of a Madras express direct to Manmad or at least of a few through carriages obliges one to proceed to and halt at Bombay, prolong his journey, and pay initial minimum fare to the G. I. P. Railway once again in a journey to Delhi. It would be much use to businessmen if these small matters will also occupy the attention of the Railway Board when they are not absorbed in constructions and replacements, and railway collisions.

The report was then unanimously adopted.

Bombay Mill-owners' Conference.

PRESIDENT'S SPEECH.

What is intended to be a country-wide campaign against the Government of India's refusal to grant protection to the mill industry was inaugurated on the 20th June at a Conference in Bombay of millowners all over India. About 25 centres of Indian Chambers of Commerce, who, owing to the shortness of notice, could not send their representatives, telegraphed messages of sympathy with the purposes of the Conference. Mr. H. P. Mody, President of the Bombay Millowners Association, who presided, referred to "the inexcusable delay" in the publication of the Government's decisions and said that when they were published at last they were typical of the way in which millowners had been treated all along in this business. A more casual and indifferent treatment of a grave problem had never been known. If there were any reasons for decisions so contrary to the assurances given to millowners and so greatly at variance with all canons of fairplay they did not appear in the Government's communique. All that the communique did was to misread the important findings, to set up minority against majority report and to dismiss the whole subject in a few casual sentences much as if the Government were disposing of the question of a grant for a village well.

It was a matter of keen disappointment that so high-minded a Viceroy as Lord Irwin should have been a party to such decisions but they trusted that when His Excellency realised the strength of their case and the seriousness of the situation he would not allow false notions of prestige to deter him from doing the right thing. The remedy before the millowners was to bring together all their resources and educate public opinion so that a united demand might go forth for the righting of this wrong such as would compel the Government to reconsider their position. Mr. Mody appealed to the press and the public to lay aside their petty differences and lend their whole-hearted support to the millowners as anything, that hit the mill industry, hit the vital interests of the country.

He concluded with a note of warning to the Government that the conviction was growing that the Department of Commerce and Industries existed for every other purposes than that of serving the commerce and industries of India. Did the Government realise that they were alienating the sympathy and support of all those elements which stood for progress and good government and formed the strongest bulwark of a constitutional government? If they realised these things he hoped they would identify themselves with the true interests of the mill industry and the country at large.

Representation to the Government.

In their representation to the Government the Millowners' Conference confines the observations to the decisions of the Government on the Tariff Board's main recommendations as in their views it is most essential to point out how untenable is the case set up by the Government to support those decisions. The Conference refers to the statements made

by and on behalf of the Government from time to time which were in the nature of an assurance to the industry that, if a case for protection was established before the Tariff Board, the Government would be prepared to act on the Board's findings. The Board has definitely endorsed the millowners' case in respect of the unfairness of Japanese competition and the Conference is astonished that the Government should now attempt to avoid the implications of their statements.

The Conference proceeds to argue that the attitude taken by the Government that the 10 per cent handicap on Indian industry is more than covered by the 11 per cent duty already existing is absolutely untenable and quotes the Board's findings in their support.

The Conference maintains that the Government with its resources should be able to involve a scheme of bounty on the production of yarn of counts above 32s.

The Conference holds that the destruction of the spinning section of the indigenous cotton textile industry, which is threatened by the decision arrived at by the Government of India, will ultimately be to the disadvantage of the handloom industry for which the Government evince so much solicitude. It also holds that the handloom industry could be far more effectively assisted by the adoption of the policy which would enable it to realise better prices for its final product than the policy which may give the handloom weaver an immediate advantage of allowing him to purchase his yarn at a figure below the cost of production at present; but which will eventually lead to his exploitation and ultimate disadvantage.

The Conference asks whether the Government realise that by rejecting both the minority and majority recommendations they are persisting in a policy which gives to Japan a 10 per cent preference against every other importing country in the world. The Conference also draws attention to the drop in the exchange value of the Yen since the report was written, thus rendering the position more difficult for the industry.

Concluding, the Conference declares that in their decision the economic interests of the country did not weigh with the Government and urge that they should reconsider their decision.

Principal Resolution.

Mr. MODY moved the following principal resolution :—"This Conference of the representatives of the cotton spinning and weaving mills from every part of India, while recognising the patient and conscientious way in which the Tariff Board conducted their enquiry, expresses its disappointment at the meagre character of their recommendations which fail to take into sufficient account the various difficulties and disabilities from which the industry has been suffering and which called for a more adequate measure of protection than the Tariff Board have thought fit to recommend; this Conference considers that the true economic interests of the country have been sacrificed and the welfare of the cotton textile industry and those dependant on it have been seriously jeopardised by the unjust decisions of the Government of India which entirely fail to protect the industry against unfair competition; this Conference maintains that the reasons advanced by the Government for withholding protection are absolutely untenable and strongly urges on the Government the desirability of the immediate reconsi-

deration of their decisions and a grant of adequate protection to the textile industry of the country.

Mr. A. GEDDIS of the Bombay Association in supporting the principal resolution said: Here we have what is really the only large industry in India which has been built up by Indian capital, Indian enterprise and Indian labour facing ruin. It is facing ruin not through its own fault but gradually it is brought there by unfair means. Here, on the other hand, we have a Government intended like all other Governments to rule for the good of the country which sets up its own tribunal to decide whether the industry is or is not ruined by unfair means and which when that tribunal decides that the industry is being ruined by unfair means makes a reply which amounts to "then let it be ruined." Have we as industrialists to accept this verdict as the last word? Surely not. Do not let the mill-owners be misled by the talk of difficulty being got over if the millowners "put their houses in order" which is an overworked and stupid phrase or that those difficulties can be got over by the adoption of the suggestions of the Tariff Board which, nevertheless, are welcome. Do not let them be misled into the belief that the mill industry can work out its own salvation by overcoming unfair handicaps thrust upon it because the hard fact has to be that it cannot do so. The ruin of the mill industry means the ruin of Bombay City and, therefore, I say, are the citizens going to accept this verdict of Government without a struggle? To the country as a whole the mill industry is appealing to realise that not only the existence of the mill industry of which Indians have every right to be proud but the future of Bombay City also is in jeopardy. I cannot but think that the country will take every step in its power to prevent such a calamity.

The resolution was seconded and supported and unanimously passed.

OTHER RESOLUTIONS.

By the second resolution the Conference approved and adopted the draft representation to the Government of India presented for its consideration.

The third resolution urged on the members of the Assembly and the Council of State to do all in their power to secure for the industry a measure of protection adequate to the needs of the situation.

Mr. N. B. Saklatvala, moving the resolution, referred to the view urged in some quarters that any bill designed to carry out the intentions of the mill-owners would be a money bill and could not under the rules originate except from the Government benches; but he was informed that the Government could, if desired, allow such a bill if brought by a private member. He hoped the Government would not take protection under technicalities in a matter of such grave importance.

The Conference unanimously adopted the resolution.

The Chairman was authorised to send copies of the representation and resolutions to the Secretary of State, to the Government of India, and to the Provincial Governments. The conference then terminated.
